

FEDERAL REGISTER

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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

In order to conform Part 6 of Title 5 to the scope and style of the Code of Federal Regulations, 1949 Edition, as prescribed by the Regulations of the Administrative Committee of the Federal Register and approved by the President effective October 12, 1948 (13 F. R. 5929), the part is reorganized and recodified as set forth below.

CIVIL SERVICE RULE VI

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6.2 Assignment of excepted employees.
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AUTHORITY: §§ 6.1 to 6.300 issued under R. S. 1753, sec. 2, 22 Stat. 403, 40 Stat. 533; 5 U. S. C. 631, 633. E. O. 8830, Feb. 23, 1947, 13 F. R. 1259, 3 CFR 1947 Supp., E. O. 6973, June 28, 1948, 13 F. R. 3000.

CIVIL SERVICE RULE VI

GENERAL

§ 6.1 *Positions excepted from the competitive service.* (a) Because of their confidential or policy-determining character, or because it is not practicable to make appointments thereto through competitive examination, the positions named in Schedules A (§§ 6.101-6.149) and B (§§ 6.201-6.216) shall be excepted

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FEDERAL REGISTER

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from the competitive service. The Commission may, upon the request of an agency, determine that similar positions also should be excepted from the competitive service. Upon publication in the FEDERAL REGISTER of its determination excepting such positions from the competitive service, appointment thereafter may be made to such positions in the same manner as under Schedules A and B. At the end of each fiscal year the Commission shall submit to the President for review a list of the positions which it has excepted from the competitive service under this section during such year.

(b) Appointments to positions in Schedule A may be made without examination by the Commission.

(c) Appointments to positions in Schedule B shall be subject to such non-competitive examination as the Commission may prescribe.

(d) Appointment under either Schedule A or B shall not confer a competitive status. Final decision as to whether the duties of a particular position are such that appointment to it is authorized under Schedule A or B shall rest with the Commission. The Commission, with the concurrence of the agency concerned, may revoke in whole or in part any paragraph of Schedule A or B: *Provided*, That such revocation shall be published in the FEDERAL REGISTER.

(e) An appointing officer in his discretion may fill any position in Schedule A or B or any position excepted from the competitive service by statute in the same manner as competitive positions are filled.

(f) Whenever any position in Schedule A or B or any position excepted from the competitive service by statute is occupied by a person having a competitive status, such person shall not be entitled to the protection against separation provided by this section and the Civil Service rules and regulations: *Provided*, That the Commission shall designate such positions in Schedules A and B as are not of a primarily confidential or policy-determining character, and whenever any position so designated is occupied by a person having a competitive status, however he may have been appointed to such position, he shall be separated therefrom only in accordance with the provisions of this section and the Civil Service rules and regulations.

NOTE: In accordance with this paragraph, the Commission has designated the positions in Schedules A and B which are not of a primarily confidential or policy-determining character by inserting before the appropriate provision the letters "NC/PD."

§ 6.2 Assignment of excepted employees. Any person appointed without competitive examination to a position in Schedule A or B, or to a position excepted from the competitive service by statute, shall not be assigned to the work of a position in the competitive service without prior approval of the Commission.

§ 6.3 Requirements of the Veterans' Preference Act. The regulations issued by the Commission pursuant to section 11 of the Veterans' Preference Act shall

apply to positions listed in Schedule A and B and positions excepted from the competitive service by statute.

SCHEDULE A

§ 6.100 Positions excepted from examination. The positions enumerated in §§ 6.101 to 6.149 are those excepted from the competitive service to which appointments may be made without examination by the Commission, and constitute Schedule A.

NOTE: In accordance with § 6.1 (f) the Commission has designated the positions in Schedule A which are not of a primarily confidential or policy-determining character by inserting before the appropriate provision the letters "NC/PD."

§ 6.101 Entire executive civil service. (a) NC/PD. Positions of Chaplain and Chaplain's Assistant.

(b) NC/PD. Cooks, except at fixed locations, such as, hospitals, quarantine stations, and penal institutions.

(c) Positions to which appointments are made by the President without confirmation by the Senate.

(d) NC/PD. Attorneys.

(e) NC/PD. Law clerk-trainee positions. Appointments under this paragraph shall be confined to graduates of recognized law schools or persons having equivalent experience and shall be for periods not to exceed nine months pending admission to the bar. No person shall be given more than one appointment under this paragraph.

(f) NC/PD. Chinese, Japanese, and Hindu interpreters.

(g) NC/PD. Any position in which the appointee will receive compensation aggregating not more than \$800 per annum, the duties of which are part-time or intermittent, but such appointments shall not be for job employment. In Washington, D. C., such appointments shall be subject to the prior approval of the Commission. All such employment shall be reported on the regular reports of personnel action; and in addition, unless payment is at per annum rate of \$800 or less, the total service rendered and its distribution shall be shown on reports submitted at the end of each calendar year; if separation occurs prior to the close of a calendar year, report should be submitted at the time of separation. Additional employment of the appointee by another agency, under similar conditions, shall be subject to the prior approval of the Commission.

(h) NC/PD. Any position in a foreign country, or beyond the continental limits of the United States, when in the opinion of the Commission, appointment through competitive examination is impracticable, except as provided in paragraphs (i) and (j) of this section, and except: All positions in Hawaii; positions in the Immigration and Naturalization Service, Department of Justice, in Canada and Mexico; positions in the Bureau of Customs, Treasury Department, in foreign countries, in Puerto Rico and in the Virgin Islands.

(i) NC/PD. Positions on the Isthmus of Panama, except: Accountant, architect, architectural designer, bookkeeper, calculating machine operator,

chemist, clerk (paying more than \$150 in U. S. currency per month) dietician, draftsman, employee counselor, medical technician, personnel aide, personnel assistant, pharmacist, physician, playground director, statistician, stenographer, storekeeper, surgeon, trained nurse, typist, and harbor personnel of the Quartermaster Corps, War Department.

(j) NC/PD. Positions in Alaska, when, in the opinion of the Commission, appointment through competitive examination is impracticable. Persons formerly appointed under this paragraph may be reinstated to positions in Alaska with the approval of the Commission.

(k) NC/PD. Temporary, part-time, or intermittent employments of mechanics, skilled laborers, and tradesmen on construction or repair work in places where there is no local board of examiners of the Civil Service Commission for the employing establishment, when, in the opinion of the Commission, appointment through competitive examination is impracticable. Seasonal employments of a recurring nature are not authorized under this paragraph.

(l) Any position directly concerned with the protection of the life and safety of the President and the members of his family.

(m) Positions without compensation provided such appointments meet the requirements of applicable laws relating to compensation.

(n) NC/PD. Professional, scientific, and technical experts for temporary, part-time or intermittent employment for consultation purposes.

(o) NC/PD. Unskilled laborers at any city, locality or establishment where the Labor Regulations were not in effect on July 1, 1941. The Commission, with the concurrence of the department or agency concerned, may include within the competitive civil service unskilled laborer positions at any such city, locality, or establishment.

(p) NC/PD. Any local physician, surgeon, or dentist employed under contract or on a part-time or fee basis, when, in the opinion of the Commission, appointment through competitive examination is impracticable.

§ 6.102 *State Department*—(a) *General*. (1) NC/PD. All positions under international commissions, congresses, conferences, and boards, except the International Joint Commission; the International Boundary Commission, United States and Mexico; and the International Boundary Commission, United States, Alaska, and Canada.

(2) One private secretary or confidential assistant to the Under Secretary of State, the Counselor, the Assistant Secretaries of State, the Legal Advisers, and other officials of the Department holding the rank of Assistant Secretary of State.

(3) NC/PD. Student assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students at high schools or colleges of recognized standing shall be eligible for appointment under this subparagraph. Employment under this subparagraph shall not exceed 180 working days in any one calendar year.

(b) *Office of the Secretary*. (1) Five special assistants to the Secretary of State.

(2) Two private secretaries or confidential assistants to the Secretary of State.

(3) One chauffeur for the Secretary of State.

(c) *Office of the Special Assistant, Research and Intelligence*. (1) Not to exceed 50 highly confidential professional and technical positions.

(d) *Foreign Service Buildings Office*. (1) NC/PD. Chief and Assistant Chief.

(e) *International Boundary Commission, United States and Mexico*. (1) NC/PD. Gage readers employed part-time or intermittently at isolated localities when, in the opinion of the Commission, appointment through competitive examination is impracticable.

(f) *International Boundary Commission, United States, Alaska and Canada*. (1) NC/PD. Temporary field employees such as instrument men, foremen, recorders, packers, cooks, and axemen, for not to exceed 180 working days a year.

§ 6.103 *Treasury Department*—(a) *General*. (1) NC/PD. Student assistants whose individual salaries shall not aggregate more than \$925 a year. Only bona fide undergraduate or graduate students at colleges or universities of recognized standing shall be eligible for appointment under this subparagraph. Appointments under this subparagraph shall not exceed 90 working days in any one calendar year.

(b) *Office of the Secretary*. (1) Two private secretaries or confidential assistants to the Secretary of the Treasury, and one to each Assistant Secretary of the Treasury.

(2) Five assistants to the Secretary of the Treasury.

(3) Two chauffeurs for the Secretary of the Treasury.

(c) *Office of the Under Secretary*. (1) One private secretary or confidential assistant to the Under Secretary of the Treasury.

(2) One assistant to the Under Secretary of the Treasury.

(d) *Bureau of Narcotics*. (1) Special employees in the field service. Appointments under this subparagraph shall be limited to persons whose services are required because of individual knowledge of violations of the law, and such appointments shall be continued only so long as the personal knowledge possessed by the appointee of such violation makes his services necessary. This exemption from competition is for special and unusual cases only and report shall be made to the Commission by letter as soon as the appointment is made.

(e) *Bureau of Internal Revenue*. (1) Special employees for temporary detective work in the field service under the appropriation for detecting and bringing to trial and punishment persons violating the internal revenue laws. Appointments under this subparagraph shall be limited to persons whose services are required because of individual knowledge of violations of the law, and such appointments shall be continued only so long as the personal knowledge possessed

by the appointee of such violation makes his services necessary. This exemption from competition is for special and unusual cases only and report shall be made to the Commission by letter as soon as the appointment is made.

(f) *Bureau of Customs*. (1) NC/PD. Positions in foreign countries designated as "interpreter-translator" and "special employees," when filled by appointment of persons who are not citizens of the United States; and positions in foreign countries of messenger and janitor.

(g) *Coast Guard*. (1) NC/PD. Lamp-lighters.

(h) *Comptroller of the Currency*. (1) NC/PD. Receivers of insolvent national banks and other financial institutions appointed by the Comptroller of the Currency with salaries payable from the funds of insolvent institutions, and the employees of such receivers.

(2) NC/PD. Until December 31, 1948, positions of Chief National Bank Examiner, Assistant Chief National Bank Examiner, District Chief National Bank Examiner, National Bank Examiner, and Assistant National Bank Examiner whose salaries are paid from assessments against national banks and other financial institutions.

(i) *United States Savings Bonds Division*. (1) NC/PD. Until December 31, 1948, positions of State Director and Deputy State Director.

(2) NC/PD. Radio Director, Director of Labor Organizations, Information and Editorial Specialist (Labor Representative) Information and Editorial Specialist (Head, Railroad Unit), Information and Editorial Specialist (Director of Negro Groups)

§ 6.104 *National Military Establishment*—(a) *Office of the Secretary of Defense*. (1) Two private secretaries or confidential assistants to the Secretary of Defense.

(2) Two chauffeurs for the Secretary of Defense.

(3) Five special advisers to the Secretary of Defense; and until December 31, 1952, seven additional positions of special adviser to the Secretary of Defense.

(4) Ten positions of Manager or Secretary of Committees, Special Programs Division. Appointments under this subparagraph shall not exceed two years.

(5) Thirty positions as Chiefs and Deputy Chiefs of divisions, branches, and sections, or as Special Advisers and Assistants in the Office of Civil Defense Planning. Appointments under this subparagraph shall not exceed one year.

(b) *Research and Development Board*. (1) Thirteen Executive Directors, eleven Deputy Directors, eight Scientific Warfare Advisers, two Chiefs of Branches, one Head of Section.

(c) *Munitions Board*. (1) One position of Vice Chairman or Deputy Chairman.

§ 6.105 *Department of the Army*—(a) *General*. (1) Positions the duties of which are of a quasi-military nature and involve the security of secret or confidential matter, when in the opinion of the Commission, appointment through

competitive examination is impracticable.

(2) NC/PD. Caretakers of abandoned military reservations or of abandoned or unoccupied military posts when the positions are filled by retired non-commissioned officers or enlisted men.

(3) NC/PD. During the emergency declared by the President to exist on May 27, 1941, all positions in the Department of the Army on the Isthmus of Panama.

(4) NC/PD. Unskilled laborers and munitions handlers engaged in handling Ordnance materiel, including ammunition, where temporary or intermittent employment is necessary.

(5) NC/PD. Messenger boys employed on the Alaska Communications System.

(6) NC/PD. Internes (medical and dental) in Army hospitals.

(7) NC/PD. Student occupational therapist positions in Army general hospitals. Appointments to these positions will not extend beyond the training period applicable to each individual case, which is a minimum of three months training and a maximum of twelve months training, depending upon the individual's previous clinical training.

(b) *Office of the Secretary.* (1) Two private secretaries or confidential assistants to each of the following: The Secretary of the Army and the Chief of Staff, United States Army. One private secretary or confidential assistant to each Assistant Secretary of the Army.

(2) One chauffeur for the Secretary of the Army.

(c) *Transportation Corps.* (1) NC/PD. Longshoremen and stevedores employed at ports of embarkation in the United States; and all positions on vessels operated by the Transportation Corps.

(d) *Office of the President, Mississippi River Commission.* (1) NC/PD. Student assistant positions concerned with scientific engineering investigations when filled by the appointment of students in attendance at colleges and universities of recognized standing: *Provided*, That substantial contributions to the investigations are made by such colleges or universities in money, services, advice, or materials, or in the use of buildings, laboratories, equipment, facilities, or otherwise. Such employment may be continued under this authority only so long as the appointee is a bona fide student in a particular college or university and receives academic credit toward a degree for the work he is performing: *And provided*, That appointments to such positions will not exceed fifteen in number at any particular time, and will be for a period not to exceed nine months.

(e) *Engineer Department.* (1) NC/PD. Land appraisers employed on a temporary or indefinite basis for specific projects where knowledge of local values or conditions or other specialized qualifications not possessed by appraisers regularly employed by the Department are required for successful results.

(f) *U. S. Military Academy, West Point, New York.* (1) NC/PD. Civilian professors, instructors, teachers (except teachers at the Children's School), hostesses,

chapel organist and the choirmaster, librarian when filled by an officer of the Regular Army retired from active service, and military secretary to the Superintendent when filled by a Military Academy graduate retired as a regular commissioned officer for disability.

(g) *Special Services Division.* (1) NC/PD. During the emergency declared by the President to exist on May 27, 1941, positions in the Army Motion Picture Service and positions of hostess and librarian, assigned to Army posts.

(h) *National War College, Washington, D. C.* (1) NC/PD. Civilian Directors of Studies employed for not to exceed six months in any twelve-month period.

(i) *Joint Brazil-United States Defense Commission.* (1) NC/PD. One position of clerk-stenographer-translator or civilian aide requiring a knowledge of English, Portuguese, and Spanish.

§ 6.106 *Department of the Navy*—(a) *General.* (1) Positions the duties of which are of a quasi-naval character and involve the security of secret or confidential matter, when, in the opinion of the Commission, appointment through competitive examination is impracticable.

(2) NC/PD. Technical or professional consultants or advisors, at entrance rate of P-5 or its equivalent and above, employed for not to exceed six months a year.

(3) NC/PD. Caretakers or guards employed at closed or decommissioned facilities of the Navy Department. Appointments under this subparagraph shall not extend beyond six months, except with the prior approval of the Commission.

(4) Alien scientists employed under the program for utilization of alien scientists approved under pertinent State, War, and Navy Coordinating Committee Directives.

(5) NC/PD. Student trainees in naval shipyards, whose salaries shall not aggregate more than \$500 a year. Only bona fide students engaged in the study of naval architecture shall be eligible for appointment under this subparagraph. Employment under this subparagraph shall not exceed 90 working days a year.

(6) NC/PD. Scientific and professional positions when filled by bona fide members of the faculty of an accredited college or university not to exceed 120 days in the period of one year in any individual case and the total number of appointments not to exceed 100 at any one time.

(7) NC/PD. Scientific assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students pursuing scientific courses at colleges or universities shall be eligible for appointment under this subparagraph. Employment under this subparagraph shall not exceed 180 working days in any one year.

(8) NC/PD. Professional and sub-professional positions in the field of research when filled by graduate students at accredited colleges or universities provided that such research work is to be used by the student as a basis for securing certain academic credit toward

a graduate degree. The total employment in any one case shall not exceed one year and such employment may be continued under this provision only so long as these conditions are met. The total number of positions to be filled under this provision may not exceed 100 at any one time.

(b) *Office of the Secretary.* (1) Two private secretaries or confidential assistants to the Secretary of the Navy, one to each Assistant Secretary of the Navy and one to the Under Secretary of the Navy.

(2) One chauffeur for the Secretary of the Navy.

(c) *United States Naval Academy.* (1) NC/PD. Professors, instructors, and teachers in the United States Naval Academy and in the United States Naval Postgraduate School.

(d) *United States Naval Home.* (1) NC/PD. Positions of orderly when filled by the appointment of beneficiaries of the Home.

§ 6.107 *Department of the Air Force*—(a) *Office of the Secretary.* (1) Two private secretaries or confidential assistants to the Secretary of the Air Force, one to the Under Secretary of the Air Force, and one to each Assistant Secretary of the Air Force.

(2) One Special or Confidential Assistant to the Under Secretary of the Air Force and two to each Assistant Secretary of the Air Force.

(b) *Office of the Inspector General.* (1) Until December 31, 1949, in order to provide civilian personnel complementary to military personnel, 20 Special Agent positions in the Office of Special Investigations, Office of the Inspector General, Headquarters, and 75 Special Agent positions in district offices of the Office of Special Investigations, U. S. Air Force, in grades CAF-11 or higher.

(c) *Air Force Institute of Technology, Wright-Patterson Air Force Base, Dayton, Ohio.* (1) NC/PD. Civilian deans and professors.

§ 6.108 *Department of Justice*—(a) *General.* (1) One private secretary or confidential assistant to each of the following: Assistant to the Attorney General, Solicitor General, Assistant Solicitor General, and each Assistant Attorney General.

(2) NC/PD. Deputy United States Marshals paid on a fee basis.

(3) NC/PD. Positions of temporary deputy marshals in lieu of bailiff in the United States courts when employed on an intermittent basis.

(b) *Office of the Attorney General.* (1) Two private secretaries or confidential assistants to the Attorney General.

(2) One chauffeur for the Attorney General.

(3) Eight positions in the immediate office of the Attorney General in addition to those excepted under subparagraph (1) of this paragraph.

(c) *Bureau of Prisons.* (1) Director and three assistant directors.

(2) The Commissioner of Industries, Federal Prison Industries, Inc.

(d) *Board of Parole.* (1) Members of the Board.

(e) *Federal Bureau of Investigation.* (1) All positions.

(f) *Immigration and Naturalization Service.* (1) One private secretary to the Commissioner.

(2) Three Deputy Commissioners.

§ 6.109 *Post Office Department*—(a) *General.* (1) One private secretary or confidential assistant to the head of each bureau (or office) in the Post Office Department in Washington, D. C., who is appointed by the President.

(2) NC/PD. Clerks in fourth class post offices.

(3) NC/PD. Substitute rural carriers.

(4) NC/PD. Special delivery messengers in second, third, and fourth class post offices.

(5) NC/PD. Unskilled laborers employed as janitors and cleaners in small postal units in leased quarters at a compensation less than \$1,700 per annum.

(6) NC/PD. Fourth class postmasters in the Hawaiian Islands.

(b) *Office of the Postmaster General.* (1) Two private secretaries or confidential assistants to the Postmaster General and one to each Assistant Postmaster General.

(2) One chauffeur for the Postmaster General.

(3) Four special assistants to the Postmaster General.

(4) One private secretary to the Executive Assistant to the Postmaster General.

(c) *Office of the Solicitor* (1) The Solicitor.

(2) One private secretary or confidential assistant to the Solicitor.

§ 6.110 *Department of the Interior*—(a) *General.* (1) NC/PD. Engineers, geologists, economists, architects and appraisers in a consulting or advisory capacity for temporary, part-time or intermittent employment. Employments under this subparagraph shall not exceed 120 working days a year unless prior permission is given by the Commission for the extension of an additional 120 days. This time limit does not apply to consultants on reclamation work authorized by the act of February 28, 1929, as amended.

(2) One private secretary or confidential assistant to the head of each bureau in the Interior Department who is appointed by the President, and one each to the Governors of Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

(3) NC/PD. Temporary, intermittent, or seasonal positions in the field service of the Department of the Interior, when filled by the appointment of persons who are certified as maintaining a permanent and exclusive residence within, or contiguous to, a field activity or district, and as being dependent for livelihood primarily upon employment available within the field activity of the Department, subject to the approval of the Commission.

(4) NC/PD. Seaman, deckhand, fireman, cook, mess attendant, and water tender on vessels of the Department of the Interior.

(5) NC/PD. Scientific, professional and subprofessional positions in the field of scientific research and investigation in the natural and physical sciences when filled by the appointment of graduate students or students pursuing scientific

courses at accredited colleges or universities: *Provided*, That substantial contributions to the investigation are made by such colleges or universities in money, services, or materials or in the use of buildings, laboratories, equipment or facilities or otherwise. Such employment may be continued under this authority only so long as the appointee is a bona fide student at the particular college or university and receives academic credit toward a degree for the work which he is performing. The total number of positions to be filled under this provision may not exceed 100 at any time.

(6) NC/PD. Temporary or seasonal caretakers at temporarily closed camps or improved areas to maintain grounds, buildings or other structures and prevent damage or theft of Government property. Such appointments shall not extend beyond six months without the prior approval of the Commission.

(7) NC/PD. Temporary, intermittent or seasonal field assistants in forestry, range management, soils, engineering, fishery and wildlife management, and with surveying parties, for not to exceed 180 working days a year, whenever in the opinion of the Commission appointment through competitive examination is impracticable.

(8) NC/PD. Temporary emergency forest and range fire and blister rust control employees in the field service of the Department of the Interior employed for fire prevention or suppression or blister rust control for not to exceed 120 working days a year.

(9) NC/PD. Scientific and professional positions in the natural and physical sciences when filled by bona fide members of the faculty of an accredited college or university not to exceed 120 days in any one year in any individual case and the total number of appointees not to exceed 25 at any one time.

(b) *Office of the Secretary.* (1) Two private secretaries or confidential assistants to the Secretary of the Interior and one to each Assistant Secretary of the Interior.

(2) One chauffeur for the Secretary of the Interior.

(3) One assistant to the Secretary.

(4) Six special agents in the Office of Field Representatives to investigate fraudulent entries and other matters of a criminal nature.

(5) Director and Assistant Director of the Division of Power.

(6) One private secretary or confidential assistant to the Director of the Division of Power.

(7) Six field representatives whose duties are of a confidential nature.

(c) *Bureau of Indian Affairs.* (1) NC/PD. Positions in the Bureau of Indian Affairs, Washington, D. C., and in the field when filled by the appointment of Indians who are of one-fourth or more Indian blood.

(2) NC/PD. All positions in the Neopit Lumber Mills on the Menominee Indian Reservation in Wisconsin.

(3) NC/PD. Agricultural extension agents and home demonstration agents employed in field positions in the Indian Service, the work of which is financed jointly by the Indian Service and coop-

erating persons, organizations or governmental agencies outside the Federal service.

(4) NC/PD. Housekeepers in the Indian Service at a gross salary not in excess of entrance rate of grade CPC-1 or its equivalent.

(d) *Indian Arts and Crafts Board.* (1) The Executive Director.

(e) *Fish and Wildlife Service.* (1) NC/PD. Agents employed in field positions, the work of which is financed jointly by the Interior Department and cooperating persons or organizations outside the Federal service.

(f) *Bureau of Land Management.* (1) Agents employed in field positions the work of which is financed jointly by the Interior Department and cooperating persons or organizations outside the Federal service.

(g) *National Power Policy Committee.* (1) The General Counsel.

(h) *Puerto Rico Reconstruction Administration.* (1) One Administrator and one Head Administrative Officer.

(i) *Federal Petroleum Board.* (1) Three members of the Board.

(j) *Bonneville Power Administration.* (1) The Administrator.

(k) *Division of Territories and Island Possessions.* (1) The Director of the Division.

(2) One Hawaiian Homes Representative.

(3) The Administrator of St. Croix, V. I.

(l) *Program Division.* (1) The Director.

§ 6.111 *Department of Agriculture*—(a) *General.* (1) (i) NC/PD. Agents employed in field positions the work of which is financed jointly by the Department and cooperating persons, organizations, or governmental agencies outside the Federal service.

(ii) NC/PD. Local Agents, except veterinarians, employed temporarily outside of Washington, in demonstrating in their respective localities the necessity of eradicating contagious or infectious animal diseases.

(iii) NC/PD. Positions the duties of which require a speaking knowledge of one of the Indian languages.

In making appointments under this subparagraph, a full report shall be submitted immediately by the Department to the Commission setting forth the name, designation, and compensation of the appointee and a statement of the duties to which he is to be assigned and of his qualifications for such duties, in such detail as to indicate clearly that the appointment is properly made under one of the above classes. The same procedure shall be followed in case of the assignment of any such agent to duties of a different character.

(2) NC/PD. Student assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students at high schools or colleges of recognized standing shall be eligible for appointment under this subparagraph. Employments under this subparagraph shall not exceed 180 working days a year.

(3) NC/PD. Any local veterinarian employed on a fee basis or a part-time basis.

(4) NC/PD. Technical or professional consultants or advisers at salaries equivalent to entrance rate of grade P-5 or higher employed for not to exceed 180 working days a year.

(5) NC/PD. Temporary seasonal field assistants in grades SP-1 through SP-5 for not to exceed 120 working days a year.

(6) NC/PD. Temporary, intermittent, or seasonal clerical, crafts, protective, and custodial positions in the field service of the Department of Agriculture at places other than civil service regional headquarters, paying not to exceed entrance rate of CAF-4 or its equivalent, or CPC-6 or its equivalent, whichever is applicable, for not to exceed 180 working days a year, whenever in the opinion of the Commission appointment through competitive examination is impracticable.

(7) NC/PD. Temporary or seasonal caretakers at temporarily closed camps or improved areas. Such appointments shall not extend beyond a period of six months without prior approval of the Commission's regional director.

(8) NC/PD. Owner-operators of equipment who are residents in the area of employment for periods not to exceed 180 actual working days in any one calendar year.

(9) NC/PD. Scientific and professional positions when filled by bona fide members of the faculty of an accredited college or university not to exceed 120 days in the period of one year in any individual case and the total number of appointments not to exceed 25 at any one time.

(10) NC/PD. Professional and sub-professional positions in the field of research when filled by graduate students at accredited colleges or universities: *Provided*, That such research work is to be used by the student as a basis for securing certain academic credit toward a graduate degree. The total employment in any one case shall not exceed one year unless extended by the Commission and such employment may be continued under this provision only so long as these conditions are met. The total number of positions to be filled under this provision may not exceed 100 at any one time.

(11) NC/PD. Not to exceed 25 professional, scientific, or technical positions in grade P-2 or higher to be filled on an exchange basis by qualified employees on the rolls of State governments, colleges, or universities, for a limited period not to exceed one year.

(b) *Office of the Secretary.* (1) One chauffeur for the Secretary of Agriculture.

(2) Two private secretaries or confidential assistants to the Secretary of Agriculture, one to the Under Secretary of Agriculture, and one to each Assistant Secretary of Agriculture.

(3) Four assistants to the Secretary.

(4) Administrator of Water Utilization.

(c) *Office of the Solicitor.* (1) The Solicitor.

(d) *Bureau of Agricultural Economics.*

(1) NC/PD. Temporary, intermittent field enumerators and supervisors at salaries not exceeding entrance rate of

CAF-5 or its equivalent, for not to exceed 180 working days a year.

(e) *Farm Credit Administration.* (1) One private secretary or confidential assistant each to the Governor of the Farm Credit Administration, the Land Bank Commissioner, the Intermediate Credit Commissioner, the Production Credit Commissioner, and the Cooperative Bank Commissioner.

(2) NC/PD. Positions in the Federal Intermediate Credit Banks, the Production Credit Corporations, the Federal Land Banks, the Banks for Cooperatives, and positions filled by joint officers and employees for these institutions.

(3) NC/PD. Positions in the Regional Agricultural Credit Corporations, joint stock land bank receivers, and petitions in receiverships, and national farm loan association receivers and conservators.

(f) *Commodity Credit Corporation.*

(1) Members of the Board of Directors.

(2) The President, two Vice Presidents, and one assistant to the President.

(g) *Rural Electrification Administration.* (1) One Deputy Administrator and one Assistant Administrator.

(h) *Forest Service.* (1) NC/PD. Temporary forest workers employed for not to exceed 180 working days a year, such employment to be with headquarters other than in forest supervisor and regional offices unless employed primarily for fire prevention or suppression activities.

(2) NC/PD. Temporary, intermittent or seasonal positions when filled by the appointment of persons who are certified as maintaining a permanent and exclusive residence within, or contiguous to, a national forest and as being dependent for livelihood primarily upon employment available within the national forest, subject to approval by the Commission.

(i) *Production and Marketing Administration.* (1) Not to exceed ten positions of Administrator's Field Representatives at salaries equivalent to entrance rate of CAF-14 or higher.

(2) Members of State Committees.

(3) NC/PD. Farmer fieldmen and farmer fieldwomen to interpret and explain and supervise farm programs.

(4) NC/PD. Temporary, intermittent, and seasonal employees to check allotments, whose aggregate employment shall not exceed 120 working days a year.

(5) The Administrator, two Deputy Administrators, three Assistant Administrators, assistants to the Administrator, at salaries equivalent to entrance rate of CAF-13 or higher, for the duration of the war; two private secretaries to the Administrator, and one chauffeur for the Administrator.

(6) NC/PD. Ten experts at salaries equivalent to entrance rate of CAF-13 or higher, for the duration of the war.

(j) *Office of Administrator Research and Marketing Act.* (1) The Administrator and Assistant Administrator.

(k) *Federal Crop Insurance Corporation.* (1) NC/PD. Farmer fieldmen.

(2) NC/PD. Loss adjusters employed locally on an intermittent basis to handle adjustments in crop losses under the Federal Crop Insurance Act for not to exceed 180 working days a year.

(3) The Manager, the Assistant Manager, and two Members of the Board of Directors experienced in the insurance business who are not otherwise employed by the Government.

(l) *Farmers Home Administration.* (1) The Deputy Administrator and three Assistant Administrators.

(2) State committeemen to consider, recommend, and advise with respect to the Farmers' Home Administration program.

(3) NC/PD. County committeemen to consider, recommend, and advise with respect to the Farmers' Home Administration program.

(4) NC/PD. Temporary, intermittent and seasonal collectors at grades not higher than CAF-5 for not to exceed 180 working days a year.

§ 6.112 *Department of Commerce—*

(a) *General.* (1) One private secretary or confidential assistant to the head of each bureau in the Department of Commerce who is appointed by the President.

(2) NC/PD. Student assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students at high schools or colleges of recognized standing shall be eligible for appointment under this subparagraph. Employment under this subparagraph shall not exceed 180 working days in any one calendar year.

(3) NC/PD. Caretakers and helpers at magnetic and seismological observatories outside continental United States.

(4) NC/PD. Caretakers and light attendants employed on emergency landing fields and other air navigation facilities.

(5) NC/PD. Agents to take and transmit meteorological observations in connection with airways, whose duties require only part of their time, and whose compensation does not exceed \$135 a month.

(b) *Office of the Secretary.* (1) Two private secretaries or confidential assistants to the Secretary of Commerce, one to the Under Secretary of Commerce, one to the Solicitor of the Department of Commerce, and one to each Assistant Secretary of Commerce.

(2) One chauffeur for the Secretary of Commerce.

(3) Six assistants to the Secretary.

(c) *Coast and Geodetic Survey.* (1) NC/PD. All civilian positions on vessels operated by the Coast and Geodetic Survey.

(2) NC/PD. Temporary positions required in connection with the surveying operations of the field service of the Coast and Geodetic Survey as may be authorized by the Commission after consultation with the Department of Commerce. Appointments to such positions shall not exceed eight months in any one calendar year.

(d) *Civil Aeronautics Administration.* (1) One private secretary or confidential assistant to the Administrator of the Civil Aeronautics Administration.

(e) *Bureau of the Census.* (1) NC/PD. Supervisors, assistant supervisors, and supervisor's clerks and enumerators in the field service for temporary, part-time, or intermittent employment for not to exceed one year: *Provided*, That

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such appointments may be extended for additional periods of not to exceed one year each. After December 31, 1952, this subparagraph shall not be authority for employment in full-time, continuous positions for longer than one year.

(2) NC/PD. Employments of individuals, firms, or corporations for not to exceed one year for special statistical studies and statistical compilations, the compensation for which is derived from funds deposited with the United States under the act of May 27, 1935 (49 Stat. 292) *Provided*, That such employments may with the approval of the Commission, be extended for not to exceed an additional year.

(3) NC/PD. Special agents employed in collecting cotton statistics.

(f) *Inland Waterways Corporation*. (1) The President, Vice Presidents, and Secretary-Treasurer.

(2) NC/PD. All other employees except employees of general offices at St. Louis, Missouri; New Orleans, Louisiana; Chicago, Illinois; Birmingham, Alabama, New York, New York; Washington, D. C., and Division Managers, District Managers, District Superintendents, Superintendents of Maintenance and their staffs.

(3) All members of the Advisory Board.

(g) *Weather Bureau*. (1) NC/PD. Agents employed in field positions the work of which is financed jointly by the Department of Commerce and cooperating persons, organizations, or governmental agencies outside the Federal service.

In making appointments under this subparagraph, a full report shall be submitted immediately by the Weather Bureau to the Commission, setting forth the name, designation and compensation of the appointee and a statement of the duties to which he is to be assigned and of his qualifications for such duties in such detail as to indicate clearly that the appointment is properly made under this subparagraph. The same procedure shall be followed in case of the assignment of any such agent to duties of a different character.

(h) *Bureau of Standards*. (1) NC/PD. Scientific or professional consultants or advisors at salaries equivalent to the entrance rate of P-5 or higher employed for not to exceed 180 days a year. Appointments under this subparagraph shall be subject to the prior approval of the Commission.

(2) NC/PD. Professional and sub-professional positions in the field of research when filled by graduate students at accredited colleges or universities: *Provided*, That such research work is to be used by the student as a basis for securing academic credit toward a graduate degree. The total employment in any one case shall not exceed one year and such employment may be continued under this provision only so long as these conditions are met. The total number of positions to be filled under this provision may not exceed 25 at any one time.

(3) NC/PD. Scientific and professional positions when filled by bona fide members of a faculty of an accredited college or university not to exceed 120

days in the period of one year in any individual case and the total number of appointments not to exceed 15 at any one time.

§ 6.113 *Department of Labor*—(a) *General*. (1) NC/PD. Commissioners of conciliation, in labor disputes whenever in the judgment of the Secretary of Labor the interests of industrial peace so require.

(2) One private secretary or confidential assistant to the head of each bureau in the Department of Labor who is appointed by the President.

(b) *Office of the Secretary*. (1) One private secretary or confidential assistant to each of the following: The Secretary of Labor, the Under Secretary of Labor, and each Assistant Secretary of Labor.

(2) Three special assistants to the Secretary.

(3) One chauffeur for the Secretary of Labor.

(4) Administrative Officer, CAF-15 (Special Assistant to the Under Secretary of Labor)

(c) *United States Employment Service*. (1) Chief, Minorities Group Section.

(d) *Division of Labor Standards*. (1) Director.

(e) *Office of International Labor Affairs*. (1) Four Administrative Officers.

(2) Two labor economists (liaison officers)

§ 6.114 *Executive Office of the President*—(a) *Bureau of the Budget*. (1) One private secretary or confidential assistant each to the Director and Assistant Director.

(b) *Council of Economic Advisors*. (1) One private secretary or confidential assistant to the Chairman of the Council.

§ 6.115 *National Security Resources Board*. (a) Six positions of special advisers and research assistants to the Chairman.

§ 6.116 *National Security Council*. (a) Not to exceed 25 positions.

(b) All positions in the Central Intelligence Agency.

§ 6.117 *Interstate Commerce Commission*. (a) One private secretary or confidential assistant to each commissioner.

§ 6.118 *General Accounting Office*. (a) One private secretary or confidential assistant to the Comptroller General.

(b) Two assistants to the Comptroller General.

§ 6.119 *Board of Governors, Federal Reserve System*. (a) NC/PD. All positions.

§ 6.120 *The Tax Court of the United States*. (a) One private secretary and two technical assistants for each Judge of the Court.

(b) NC/PD. Until December 31, 1948, a Clerk of the Court and a Chief Deputy Clerk.

(c) One administrative assistant to the Presiding Judge.

§ 6.121 *Reconstruction Finance Corporation*—(a) *General*. (1) A Chief Accountant of the Corporation.

(2) Chiefs of the Agency and Information Divisions of the Corporation.

(3) Executive Directors of the following Offices of the Corporation: Defense Plants, Metals Reserve, Defense Supplies and Rubber Reserve.

(4) All Directors, Trustees and Officers of the subsidiaries or affiliated corporations.

(5) NC/PD. Not to exceed thirty-two positions as Loan Agency Manager and not to exceed thirty-six positions of Assistant Loan Agency Manager.

(6) NC/PD. Inventory custodians, watchmen, caretakers, and laborers engaged in the care and preservation of property held by the Corporation and its subsidiaries.

(b) *Office of the Board of Directors*.

(1) Two private secretaries or confidential assistants to the Chairman, Board of Directors; one private secretary and one confidential assistant to each of the members of the Board of Directors except the chairman; and one assistant to each member of the Board of Directors.

(2) Two assistants to the Board of Directors; twelve special assistants to the Board of Directors; six special representatives (field)

(3) NC/PD. Six administrative assistants, and two junior administrative assistants.

(4) Two chauffeurs for the chairman and other members of the Board of Directors.

(c) *Office of the Secretary*. (1) A Secretary of the Corporation; one private secretary or confidential assistant to the Secretary; four assistant secretaries and one assistant to the Secretary.

(d) *Office of the Treasurer*. (1) A Treasurer of the Corporation; a private secretary or confidential assistant to the Treasurer and two assistant treasurers.

(e) *Office of the Controller*. (1) A Controller of the Corporation; one private secretary or confidential assistant to the Controller; one Assistant Controller; the Chief of the Research and Economics Division; the Chief of the Audit Division.

(f) *Office of the General Counsel*. (1) A General Counsel of the Corporation; a private secretary or confidential assistant to the General Counsel; two special counsel and six assistants general counsel.

(g) *Price Adjustment Board*. (1) The Chief Administrative Officer.

(h) *Office of Loans*. (1) Until June 30, 1949, positions of Manager; Assistant Manager; Executive Assistant to the Manager; Chairman and four members of the Review Committee; Chairman and Vice Chairman, Committee on Practices and Procedures; Chairman and Vice Chairman, Marketing and Liquidation Committee; Director and Assistant Director each of the Loan Operations and Field Operations Division; Chief and Assistant Chief, each of the Public Agency and Field Liaison Branches; Chief and two Assistant Chiefs of the Business Loans Branch; Chief of the Mining Branch; Chief of the Transportation Branch; Chief of the Financial Institutions Branch; Chief Engineer and Chief Appraiser of the Engineering and Appraisal Branch; Chief, Reports Analysis Branch; Head of the Railroad Section; and Head of the Air, Motor, and Marine Section.

§ 6.122 *Veterans' Administration*—(a) *General*. (1) NC/PD. Positions in Veterans' Administration facilities when filled by the appointment of members of such facilities receiving domiciliary care if, in the opinion of the Veterans' Administration the duties can be satisfactorily performed by such members.

(2) NC/PD. Positions at Veterans' Administration hospitals when filled by paraplegic patients during treatment or convalescence.

(b) *Office of the Administrator*. (1) Five special assistants to the Administrator.

(2) One private secretary or confidential assistant to the Administrator.

(c) *Department of Medicine and Surgery*. (1) One private secretary or confidential assistant to the Chief Medical Director.

§ 6.123 *Federal Security Agency*—(a) *Office of the Administrator*. (1) Two private secretaries or confidential assistants to the Administrator.

(2) Assistant Administrator.

(b) *National Office of Vital Statistics*. (1) NC/PD. Supervisors, assistant supervisors, and supervisors' clerks and enumerators in the field service for temporary, part-time, or intermittent employment for not to exceed one year.

(c) *Children's Bureau*. (1) NC/PD. Ten professional and consultative positions required in connection with the 1950 White House Conference on Children and Youth. Employment under this subparagraph shall not extend beyond June 30, 1951.

(d) *Food and Drug Administration*. (1) NC/PD. Professional, technical or scientific specialists when employed intermittently for short periods, not to exceed a total of 60 days in any one year, as members of the Standards Committee for duty in connection with the formulation of definitions and standards of identity and quality of food products, or as consultants upon problems in their specialized fields having to do with the enforcement of the Food, Drug, and Cosmetic Act.

(e) *St. Elizabeths Hospital*. (1) NC/PD. Visiting physicians and organist.

(f) *Freedmen's Hospital*. (1) NC/PD. Pupil nurses, internes, and externes (medical and dental) student dietitians, and resident physicians.

(g) *Office of Special Services*. (1) One private secretary or confidential assistant to the Commissioner.

(h) *Public Health Service*. (1) NC/PD. Special escorts to accompany patients of the Public Health Service in accordance with existing laws and regulations. Employment under this subparagraph shall be only for the period of time necessary for the escort to deliver the patient to his destination and to return.

(2) NC/PD. Positions at Government sanatoria when filled by patients during treatment or convalescence.

(3) NC/PD. All positions in leprosy, yellow fever, and psittacosis investigation stations.

(4) NC/PD. Trainees in cancer research.

(5) NC/PD. Positions concerned with problems in preventive medicine financed or participated in by the Federal Security

Agency and a cooperating State, county, municipality, incorporated organization, or an individual, in which at least one-half of the expense is contributed by the cooperating agency either in salaries, quarters, materials, equipment, or other necessary elements in the carrying on of the work.

(6) NC/PD. Professional, technical, or scientific specialists when employed on a fee basis or part-time basis as consultants in connection with problems in preventive medicine, subject to the prior approval of the Commission.

(7) NC/PD. Internes and externes (medical and dental) and student nurses.

(8) NC/PD. Subprofessional and Crafts, protective and custodial positions in the field service of the Communicable Disease Activities when filled on a temporary or seasonal basis for not to exceed 150 working days in any one calendar year.

(9) NC/PD. The position of psychological interne when filled by graduate students at accredited colleges or universities provided that such student receives academic credit toward a degree for the work performed for the Public Health Service. The total employment in any one case shall not exceed one year and such employment may be continued under this provision only so long as these conditions are met. The total number of appointments under this provision shall not exceed twenty-five at any one time.

(10) NC/PD. The position of hospital administration interne when filled by students at accredited colleges or universities: *Provided*, That such students receive academic credits toward a degree for the work performed for the Public Health Service, the total employment in any one case not to exceed one year, such employment to be continued under this provision only so long as these conditions are met.

§ 6.124 *United States Maritime Commission*. (a) NC/PD. All positions on Government-owned ships operated by the U. S. Maritime Commission.

(b) Twelve positions of either Chief of Bureau or Chief of Division, but not including the position of Director of Personnel.

(c) One assistant to each member of the Commission and two assistants to the Chairman of the Commission.

(d) Ten special assistants to the United States Maritime Commission.

(e) The Secretary of the Commission.

(f) The General Counsel.

(g) One private secretary or confidential assistant to each Commissioner and to the General Counsel.

(h) The General Manager.

(i) The Financial Assistant to the Chairman.

§ 6.125 *Federal Power Commission*. (a) One private secretary and one confidential assistant to each Commissioner.

(b) A Secretary of the Commission.

(c) NC/PD. Consultants, experts and special counsel whose employments and compensation are fixed by contract within the limits of special funds appropriated by Congress for this purpose.

(d) Three special assistants to the Commission.

(e) One assistant to the Chairman.

(f) A General Counsel and three Assistant General Counsels.

§ 6.126 *Securities and Exchange Commission*. (a) One private secretary or confidential assistant to each member of the Commission.

(b) A General Counsel.

(c) Director, Division of Trading and Exchanges; Director, Division of Public Utilities; Director, Division of Corporation Finance.

(d) One Chief Accountant.

(e) One assistant to the Chairman.

§ 6.127 *National Railroad Adjustment Board*. (a) One private secretary or confidential assistant to each member of the Board.

§ 6.128 *National Capital Park and Planning Commission*. (a) NC/PD. Architectural or engineering consultants, land appraisers and land purchasing officers for temporary, intermittent, or part-time service.

§ 6.129 *Federal Deposit Insurance Corporation*. (a) Two special assistants, private secretaries, or confidential assistants to each member of the Board of Directors.

(b) NC/PD. All field positions concerned with the work of liquidating the assets of closed banks or the liquidation of loans to banks, and all temporary field positions the work of which is concerned with paying the depositors of closed insured banks.

§ 6.130 *Federal Trade Commission*. (a) Assistant to the Chairman and Director of Information.

(b) General Counsel.

(c) Chief Trial Counsel.

(d) Chief, Planning and Budget Division.

(e) Director, Office of Legal Investigations.

(f) Director of Trade Practice Conferences and Wool Act Administration.

(g) Director, Division of Stipulations.

(h) Director, Division of Accounts, Statistics and Economic Reports.

(i) Director, Medical Advisory Division.

§ 6.131 *National Capital Housing Authority*. (a) The Executive Officer.

§ 6.132 *United States Soldiers' Home*. (a) NC/PD. All positions.

§ 6.133 *Federal Works Agency*—(a) *General*. (1) NC/PD. Agents employed in field positions the work of which is financed jointly by the Federal Works Agency and cooperating persons, organizations, or governmental agencies outside the Federal service.

In making appointments under this subparagraph, a full report shall be submitted immediately by the Federal Works Agency to the Commission, setting forth the name, designation and compensation of the appointee and a statement of the duties to which he is to be assigned and of his qualifications for such duties in such detail as to indicate clearly that the appointment is properly made under this subparagraph. The same procedure shall be followed in case of the assignment of any such agent to duties of a different character.

(b) *Office of the Administrator* (1) Two expert assistants to the Administrator.

(c) *Public Buildings Administration.* (1) The Commissioner of Public Buildings.

(2) One private secretary or confidential assistant to the Commissioner.

(d) *Public Roads Administration.* (1) The Commissioner of Public Roads.

(2) One private secretary or confidential assistant to the Commissioner.

(e) *Bureau of Community Facilities.* (1) The Commissioner of the Bureau of Community Facilities.

(2) One private secretary or confidential assistant to the Commissioner.

§ 6.134 *Federal Communications Commission.* (a) A Secretary to the Commission.

(b) One private secretary or confidential assistant to each Commissioner.

(c) A General Counsel and three Assistant General Counsels.

(d) A Chief Engineer and three Assistant Chief Engineers.

(e) A Chief Accountant and three Assistant Chief Accountants.

§ 6.135 *United States Tariff Commission.* (a) The Secretary of the Commission and one private secretary or confidential assistant to each Commissioner.

§ 6.136 *Railroad Retirement Board.*

(a) Two members of the Actuarial Advisory Committee to be selected by the Board, one from recommendations made by representatives of the employees, and one from recommendations made by the carriers.

(b) Two members of each District Board which may be established by the Railroad Retirement Board, one member to be appointed from recommendations made by the representatives of the employees, and one from recommendations made by the carriers.

§ 6.137 *Civil Aeronautics Board.* (a) A Secretary to the Board.

(b) A General Counsel and two Assistant General Counsels.

(c) Two permanent expert consultants.

(d) NC/PD. Professional, technical and scientific consultants for temporary, part-time or intermittent employment for periods not to exceed six months in any one calendar year, but such employment may be extended for an additional six months with the approval of the Commission.

(e) NC/PD. Examiners employed on a temporary, part-time, or intermittent basis for periods not to exceed four months in any calendar year.

(f) One confidential assistant to each member of the Board.

(g) A director and two assistant directors of the Economic Bureau, Director of the Bureau of Safety Regulation, and Director of the Bureau of Safety Investigation.

(h) One Executive Assistant to the Chairman of the Board.

§ 6.138 *National Labor Relations Board.* (a) One private secretary or confidential assistant to each member of the Board.

(b) NC/PD. Election Clerks and Election Examiners for temporary, part-time, or intermittent employment in connection with elections under the Labor Management Relations Act.

§ 6.139 *Government Printing Office.* (a) One private secretary or confidential assistant to the Public Printer.

§ 6.140 *Export-Import Bank of Washington.* (a) Two private secretaries or confidential assistants to the Chairman of the Board of Directors and one to each member of the Board.

(b) The President, three Vice Presidents, the Treasurer, the Secretary.

(c) Chiefs of the following Divisions: Legal, Economic, Examining, Engineering, and Private Capital.

§ 6.141 *War Assets Administration.*

(a) NC/PD. Temporary field positions concerned with the inspection, inventory, pricing, sale, and shipping of surplus property at the site of the property.

(b) NC/PD. Custodians, guards, watchmen, laborers, and other employees engaged in the custody, care and preservation of plants, warehouses, shipyards, airfields, and surplus facilities of a similar nature pending disposition of such facilities.

§ 6.142 *Housing and Home Finance Agency.*—(a) *Office of the Administrator*

(1) Assistant to the Administrator, Assistant Administrator (Program) Assistant Administrator (Lanham Act Functions)

(b) *Home Loan Bank Board.* (1) One Assistant to the Board.

(2) One Assistant to the Chairman of the Board.

(3) One private secretary to the Chairman of the Board.

(4) One General Counsel and one Assistant to the General Counsel.

(5) One Financial Advisor.

(6) The Governor and three Deputy Governors of the Federal Home Loan Bank System.

(7) One Assistant to the Governor of the Federal Home Loan Bank System.

(8) One Associate General Counsel, Federal Home Loan Bank System.

(9) One General Manager and two Deputy General Managers, Federal Savings and Loan Insurance Corporation.

(10) One Associate General Counsel, Federal Savings and Loan Insurance Corporation.

(11) NC/PD. All field positions in the Federal Savings and Loan Insurance Corporation concerned with the work of liquidating the assets of closed insured institutions, or the liquidation of loans or the handling of contributions to insured institutions and the purchase of assets therefrom, and all temporary field positions of the Federal Savings and Loan Insurance Corporation the work of which is concerned with paying the depositors of closed insured institutions.

(12) One General Manager and two Deputy General Managers, Home Owners' Loan Corporation.

(13) One Associate General Counsel, Home Owners' Loan Corporation.

(c) *Federal Housing Administration.*

(1) One First Assistant Commissioner, five Assistant Commissioners, one Assis-

tant to the Commissioner, five Zone Commissioners, and one Special Assistant to the Assistant Commissioner (Field Operations)

(2) An Executive Secretary of the Administration.

(3) Two private secretaries or confidential assistants to the Commissioner.

(4) One chauffeur to the Commissioner.

(5) A General Counsel.

(6) One Assistant to the Commissioner on Public Relations.

(7) NC/PD. Sixty-five Field Directors (State, District, and Territorial)

(d) *Public Housing Administration.*

(1) One private secretary or confidential assistant to the Commissioner.

§ 6.143 *Indian Claims Commission.*

(a) One private secretary or confidential assistant to each Commissioner.

§ 6.144 *Selective Service System.* (a) NC/PD. State Directors.

(b) NC/PD. Deputy or Assistant State Directors, Procurement Officers, and Medical Officers in State Headquarters.

(c) NC/PD. Branch or Division Chiefs in State Headquarters in charge of Selective Service Records, when such positions are filled by persons who were serving as State Directors or Assistant State Directors of the Office of Selective Service Records at the time the Selective Service System took over the functions of the Office of Selective Service Records.

§ 6.145 *Civil Service Commission.* (a) NC/PD. Student assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students at high schools or colleges of recognized standing shall be eligible for appointment under this paragraph. Appointments under this paragraph shall not exceed 90 working days in any one calendar year.

(b) Positions of members of the Loyalty Review Board and of members of the Regional Loyalty Boards.

(c) Positions of members of the Fair Employment Board of the Commission's Central Office and of members of such Regional Fair Employment Boards as may be established.

§ 6.146 *Commission on Organization of the Executive Branch of the Government.* (a) Not to exceed 25 positions.

§ 6.147 *National Advisory Committee for Aeronautics.* (a) Six alien scientists having special qualifications in the field of aeronautical research where such employment is deemed by the Chairman of the National Advisory Committee for Aeronautics to be necessary in the public interest.

(b) NC/PD. Scientific and professional positions when filled by bona fide members of the faculty of an accredited college or university not to exceed 120 days in the period of one year in any individual case and the total number of appointments not to exceed 25 at any one time.

(c) NC/PD. Scientific and professional assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students pursuing scientific courses at colleges or universities shall be eligible for appointment under this

paragraph. Employment under this paragraph shall not exceed 180 working days in any one year.

(d) NC/PD. Professional and sub-professional positions in the field of research when filled by graduate students at accredited colleges or universities provided that such research work is to be used by the student as a basis for securing certain academic credit toward a graduate degree. The total employment in any one case shall not exceed one year and such employment may be continued under this provision only so long as these conditions are met. The total number of positions to be filled under this provision may not exceed 50 at any one time.

§ 6.148 *Panama Railroad Company, New York.* (a) The Vice President, Third Vice President, the Secretary, and the Treasurer.

(b) NC/PD. All positions on vessels operated by the Panama Railroad Company.

(c) NC/PD. Checkers employed on w. a. e. basis.

§ 6.149 *Economic Cooperation Administration.* (a) Not to exceed 25 positions of a policy determining character at salaries in excess of \$10,000 but not in excess of \$15,000 per annum.

(b) NC/PD. Student assistants whose salaries shall not aggregate more than \$925 a year. Only bona fide students at high schools or colleges of recognized standing shall be eligible for appointment under this paragraph. Employments under this paragraph shall not exceed 90 working days a year.

SCHEDULE B

§ 6.200 *Positions which may be filled upon noncompetitive examination.* The positions enumerated in §§ 6.201 to 6.216 are those excepted from the competitive service to which appointments may be made after such noncompetitive examination as the Commission shall prescribe, and constitute Schedule B.

NOTE: In accordance with § 6.1 (f) the Commission has designated the positions in Schedule B which are not of a primarily confidential or policy-determining character by inserting before the appropriate provision the letters "NC/PD."

§ 6.201 *Interior Department.* (a) NC/PD. Any competitive position at an Indian school when filled by the wife of a competitive employee of the school, when because of isolation or lack of quarters, the Commission deems appointment through competitive examination impracticable.

(b) Twelve field representatives to act as the immediate and confidential representative of the Commissioner of Indian Affairs, subject to such evidence of qualifications as the Commission may prescribe after consultation with the Commissioner of Indian Affairs.

§ 6.202 *Housing and Home Finance Agency—(a) Federal Housing Administration.* (1) A Technical Director; a Land Planning Director; a Director of Research and Statistics.

(2) A Comptroller.

(3) NC/PD Two Land Use Planners.

(b) *Public Housing Administration.* (1) NC/PD. Administrative or custodial positions in the field service of the Public Housing Administration relating to the management or maintenance of Federal low-rent housing projects when, in the opinion of the Commission, appointment through competitive examination is impracticable: *Provided*, That no position shall be filled under this subparagraph unless it is clearly demonstrated that the best interests of the service will be served thereby.

§ 6.203 *Department of Commerce.* (a) Not to exceed six specialists who may be employed in the United States for the purpose of promoting the foreign and domestic commerce of the United States.

§ 6.204 *Department of the Army.* (a) NC/PD. Positions of military storekeeper in the Signal Service at Large when filled by retired noncommissioned officers of the Signal Corps.

(b) Positions assigned exclusively to Army Communications Intelligence activities.

§ 6.205 *Navy Department.* (a) Positions assigned exclusively to Navy Communications Intelligence Activities.

(b) Any position outside the continental limits of the United States (except the Canal Zone and Alaska) when in the opinion of the Secretary of the Navy the best interests of the service so require.

§ 6.206 *District of Columbia Government.* (a) NC/PD. Surgeons of the Police and Fire Departments of the District of Columbia.

§ 6.207 *Federal Trade Commission.* (a) Not to exceed five special experts.

§ 6.208 *State Department.* (a) NC/PD. Until June 30, 1950, political, economic, financial, and other technical professional positions (not including informational positions) at the salary level of \$4,149.60 and above, requiring specialized foreign relations knowledge, training, or experience with respect to a particular foreign area, foreign language, or foreign affairs problem.

(b) NC/PD. Until June 30, 1950, persons formerly employed abroad in the Foreign Service for a period of at least 4 years for service in executive and administrative positions, or employed abroad for at least 2 years for professional positions, at the salary level \$4,149.60 and above.

(c) NC/PD. Positions of professional and technical specialists in the fields of health and sanitation, food supply, education and transportation, in Grade P-5 or its equivalent, in the Institute of Inter-American Affairs and the Inter-American Educational Foundation, Incorporated, when filled by the appointment of persons who have served in such positions in the Federal service in foreign countries.

(d) Positions assigned exclusively to Department of State Cryptographic Security Activities.

§ 6.209 *Post Office Department.* (a) NC/PD. One postal rate expert.

§ 6.210 *Federal Power Commission.* (a) A Chief Engineer.

(b) Five regional engineers.

(c) A chief and an assistant chief of the following bureaus: Bureau of Accounts, Finance and Rates, Bureau of Power.

(d) One chief of each of the following nine divisions: Accounts, Electrical, Finance and Statistics, Gas Certificates, Licensed Projects, Original Cost, Projects Cost, Rates, and River Basin.

(e) A Chief Accountant.

§ 6.211 *Department of Agriculture—(a) Commodity Credit Corporation.* (1) NC/PD. Technical or professional consultants or advisers, at salaries equivalent to entrance rate of grade P-5 or higher, for periods not to exceed 18 months.

(b) *Farm Credit Administration.* (1) The Deputy Governor, Deputy Commissioners and Assistant Commissioners, the Director and Assistant Director of the Regional Agricultural Credit Division, and the Director of the Mortgage Corporation Service Section.

(2) Special field representatives who serve as Vice Presidents of the Federal Farm Mortgage Corporation.

§ 6.212 *National Capital Housing Authority.* (a) NC/PD. Architectural or engineering consultants, construction supervisors, landscape planners, surveyors and related positions for temporary, intermittent or part-time service.

§ 6.213 *Department of Justice.* (a) NC/PD. Special experts employed on a temporary basis for specific litigation or other legal work in which technical knowledge of particular industries, or knowledge of other highly technical matters not possessed by regular employees of the Department, is required for successful results. Such temporary employment shall be only for such time as is required to complete the specific assignment for which the original appointment was approved.

(b) NC/PD. Assistants to cottage officers, National Training School for Boys, when filled by the appointment of bona fide students at colleges or universities at salaries not in excess of \$720 per annum, subject to the approval of the Commission.

§ 6.214 *Selective Service System.* (a) NC/PD. Positions in the Selective Service System when filled by persons who, as commissioned officer personnel in the armed forces have previously been trained for or have been on active military duty in the Selective Service program, and cannot, for some reason beyond their control, be brought to active military duty in the current Selective Service program.

§ 6.215 *Treasury Department.* (a) Cryptographer, United States Coast Guard.

§ 6.216 *Department of the Air Force.* (a) Positions assigned exclusively to Air Force Communications Intelligence Activities.

REGULATIONS UNDER CIVIL SERVICE RULE VI.

§ 6.300 *Regulations for the administration and enforcement of the Veterans' Preference Act in connection with positions excepted from the competitive*

service. (a) The regulations issued by the Commission pursuant to section 11 of the Veterans' Preference Act of 1944 for the administration and enforcement of the provisions of that act in connection with positions excepted from the competitive service shall be followed by agencies with respect to positions listed in Schedules A and B and positions excepted from the competitive service by statute.

CROSS REFERENCE: For regulations governing appointment to positions excepted from the competitive service, see Part 21 of this chapter. For regulations governing appeals of preference eligibles under the Veterans' Preference Act, see Part 22 of this chapter.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] H. B. MITCHELL,
President.

[F. R. Doc. 48-11181; Filed, Dec. 22, 1948;
8:47 a. m.]

PART 22—APPEALS OF PREFERENCE ELIGIBLES UNDER THE VETERANS' PREFERENCE ACT OF 1944

TIME LIMITATION ON APPEALS

Effective upon publication in the FEDERAL REGISTER, § 22.4 is amended to read as follows:

§ 22.4 *Appeals to the Commission, time limit.* The Commission will not entertain an appeal for consideration or review of any action under section 14 of the Veterans' Preference Act of 1944 prior to an adverse decision making effective the discharge, suspension for more than thirty (30) days, furlough without pay, or reduction in rank or compensation. Ten (10) days after the effective date of the adverse decision shall be considered as a reasonable time to prepare and submit an appeal under this section; *Provided*, That in a reduction in rank (grade) resulting from an allocation of a field position by an employing agency, where there is a right to appeal the position allocation to the agency under its established administrative procedures, the time limit on the appeal to the Commission shall be either ten (10) days after the effective date of the adverse decision or ten (10) days after the decision by the agency on the administrative position allocation appeal, at the election of the employee. The time limit may be extended in the discretion of the Commission only upon showing by the employee that circumstances beyond his control prevented him from filing an appeal within the prescribed ten (10) days. (Secs. 11, 14, 58 Stat. 387; 5 U. S. C. 860, 863)

NOTE: Because it is felt that the additional period during which an appeal may be made to the Commission, which is provided for in the above amendment, should be immediately available to preference eligibles, the Commission finds that good cause exists for making the amendment effective upon publication in the FEDERAL REGISTER.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] H. B. MITCHELL,
President.

[F. R. Doc. 48-11175; Filed, Dec. 22, 1948;
8:46 a. m.]

TITLE 6—AGRICULTURAL CREDIT

RENUMBERING OF CHAPTERS II, IV, AND V

EDITORIAL NOTE: This issue contains two documents renumbering present Chapters II, IV and V of this title as follows:

Old Chapter No.	New Chapter No.
II	IV
IV	II
V	IV

In addition to the change in chapter numbers, the new Chapter IV has been redesignated "Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture." The changes are set forth in detail below under the new chapter numbers.

Chapter II—Rural Electrification Administration, Department of Agriculture

REDESIGNATION OF CHAPTER

In order to conform to the rearrangement of Title 6 (see redesignation of Chapters II and V) *infra*, and in order to discontinue the codification of material submitted under section 3 (a) (1) of the Administrative Procedure Act, as prescribed by the regulations of the Administrative Committee of the Federal Register and approved by the President effective October 12, 1948 (13 F. R. 5929) the following editorial changes are made, effective upon publication in the FEDERAL REGISTER:

1. Chapter IV is redesignated Chapter II—Rural Electrification Administration, Department of Agriculture.

2. The codification of Subpart A—Organization, of Part 400 is discontinued. Future amendments to the statement of organization will appear in the Notices section of the FEDERAL REGISTER.

3. The text of Subpart B of Part 400 is designated as Part 200—Procedures, and §§ 400.21 to 400.24 are redesignated §§ 200.1 to 200.4, respectively.

Issued this 10th day of December, 1948.

[SEAL] CLAUDE R. WICKARD,
Administrator

[F. R. Doc. 48-11207; Filed, Dec. 22, 1948;
9:02 a. m.]

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

REDESIGNATION OF CHAPTERS AND PARTS

For the purpose of providing a more logical arrangement of subject matter and a more consistent system of number-

ing, Title 6, Chapters II and V and Part 9 of Title 7, Subtitle A of the Code of Federal Regulations are redesignated Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture, and part numbers are assigned as follows:

SUBCHAPTER A—GENERAL REGULATIONS AND POLICIES

Parts 400 to 499.

SUBCHAPTER B—EXPORT AND DIVERSION PROGRAMS

Part	
502	Barley.
503	Beans, dry edible.
506	Corn.
507	Cotton.
510	Dairy Products.
513	Eggs.
516	Fibers.
517	Fruits and Berries, fresh.
518	Fruits and Berries, dried, and processed.
521	Grain Sorghums.
524	Honey.
527	Hops.
533	Meat Animals and Meat Products.
538	Naval Stores.
539	Nuts.
542	Oats.
543	Oilseeds.
546	Peanuts.
547	Peas, dry edible.
548	Potatoes, Irish.
549	Poultry.
550	Protein Meals.
555	Rice.
556	Rye.
559	Seeds.
560	Sugar.
561	Sweetpotatoes.
564	Tobacco.
569	Vegetables, fresh.
570	Vegetables, dried and processed.
571	Wheat.
572	Wool.

SUBCHAPTER C—LOANS, PURCHASES, AND OTHER OPERATIONS

602	Barley.
603	Beans, dry edible.
606	Corn.
607	Cotton.
610	Dairy Products.
613	Eggs.
616	Fibers.
617	Fruits and Berries, fresh.
618	Fruits and Berries, dried and processed.
621	Grain Sorghums.
624	Honey.
627	Hops.
633	Meat Animals and Meat Products.
638	Naval Stores.
639	Nuts.
642	Oats.
643	Oilseeds.
646	Peanuts.
647	Peas, dry edible.
648	Potatoes, Irish.
649	Poultry.
650	Protein Meals.
655	Rice.
656	Rye.
659	Seeds.
660	Sugar.
661	Sweetpotatoes.
664	Tobacco.
669	Vegetables, fresh.
670	Vegetables, dried and processed.
671	Wheat.
672	Wool.

Existing parts and sections are renumbered as follows:		
SUBCHAPTER B—EXPORT AND DIVERSION PROGRAMS		
Old part and section Nos	New part and section Nos	
503 of Chapter V.....	507—Cotton	
Secs 503 1-503 13.....	Subpart—Cotton Export Program	
501 of Chapter V.....	Secs 507 1-507 13	
Secs 501 201-501 212.....	Subpart—Cotton Insulation Program (Fiscal Year 1949)	
507 of Chapter V.....	Secs 507 21-507 33	
Secs 507 1-507 9.....	517—Fruits and Berries fresh	
506 of Chapter V.....	Subpart—Citrus Fruit Export Program (Fiscal Year 1949)	
Secs 506 1-506 13.....	Secs 517 1-517 9	
264 of Chapter II.....	518—Fruits and Berries dried and processed	
264 of Chapter II.....	Subpart—Dried Fruit Export Program (Fiscal Year 1949)	
264 of Chapter II.....	Secs 518 1-518 13	
264 of Chapter II.....	SUBCHAPTER C—LOANS PURCHASES, AND OTHER OPERATIONS	
264 of Chapter II.....	602—Barley	
264 of Chapter II.....	Subpart—1948 Barley Loan Program	
264 of Chapter II.....	Secs 602 1-602 24	
264 of Chapter II.....	Subpart—1948 Barley Purchase Agreement Program	
264 of Chapter II.....	Secs 602 31-602 44	
276 of Chapter II.....	603—Beans, dry edible	
Secs 276 201-276 224.....	Subpart—1948 Dry Edible Bean Loan and Purchase Agreement Program	
248 of Chapter II.....	Secs 603 1-603 24	
248 of Chapter II.....	608—Corn	
248 of Chapter II.....	Subpart—1948 Corn Loan and Purchase Agreement Program	
248 of Chapter II.....	Secs 608 1-608 24	
256 of Chapter II.....	607—Cotton	
Secs 256 201-256 243.....	Subpart—1948 Cotton Loan Program	
281 of Chapter II.....	Secs 607 1-607 23	
281 of Chapter II.....	618—Fruits and Berries, dried and processed	
281 of Chapter II.....	Subpart—1948 Dried Fruit Price Support Program	
281 of Chapter II.....	Sec 618 1-1948 Price Support Announcement	
281 of Chapter II.....	631—Grain Sorghums	
281 of Chapter II.....	Subpart—1948 Grain Sorghum Loan Program	
281 of Chapter II.....	Secs 631 1-631 24	
281 of Chapter II.....	Subpart—1948 Grain Sorghums Purchase Agreement Program	
281 of Chapter II.....	Secs 631 31-631 44	
281 of Chapter II.....	643—Oats	
281 of Chapter II.....	Subpart—1948 Oats Loan Program	
281 of Chapter II.....	Secs 643 1-643 24	
281 of Chapter II.....	Subpart—1948 Oats Purchase Agreement Program	
281 of Chapter II.....	Secs 643 31-643 44	
271 of Chapter II.....	643—Oilseeds	
Secs 271 201-271 238.....	Subpart—1948 Flaxseed Loan Program	
287 of Chapter II.....	Secs 643 1-643 26	
287 of Chapter II.....	Subpart—1948 Flaxseed Purchase Agreement Program	
287 of Chapter II.....	Secs 643 31-643 45	
287 of Chapter II.....	Subpart—1948 Soybean Loan and Purchase Agreement Program	
287 of Chapter II.....	Secs 643 51-643 75	
275 of Chapter II.....	646—Peanuts	
Secs 275 101-275 122.....	Subpart—1948 Peanuts Producer Loan Program	
Secs 275 123-275 137.....	Secs 646 1-646 22	
Secs 275 138-275 149.....	Subpart—1948 Peanuts Dealer Loan Program	
230 of Chapter II.....	Secs 646 31-646 45	
Secs 230 201-230 224.....	Subpart—1948 Peanuts Purchase Program	
245 of Chapter II.....	Secs 646 51-646 61	
Secs 245 201-245 210.....	Note: Sec 276 149 will be included in §§ 646 13, 646 37, and 646 61	
Secs 245 223-245 239.....	647—Peas dry edible	
235 of Chapter II.....	Subpart—1948 Dry Edible Smooth Peas Loan and Purchase Agreement Program	
Secs 235 201-235 234.....	Secs 647 1-647 24	
263 of Chapter II.....	648—Potatoes Irish	
Secs 263 201-263 224.....	Subpart—1948 Potato Acreage Goals	
240 of Chapter II.....	Secs 648 1-648 15	
240 of Chapter II.....	Subpart—1948 Potato Price Support Program	
240 of Chapter II.....	Secs 648 21-648 24	
240 of Chapter II.....	Subpart—1948 Potato Loan Program	
240 of Chapter II.....	Secs 648 31-648 39	
240 of Chapter II.....	Subpart—1948 Potato Purchase Program	
240 of Chapter II.....	Secs 648 51-648 65	
235 of Chapter II.....	655—Rice	
Secs 235 201-235 234.....	Subpart—1948 Rice Loan and Purchase Agreement Program	
263 of Chapter II.....	Secs 655 1-655 24	
Secs 263 201-263 224.....	656—Rye	
274 of Chapter II.....	Subpart—1948 Rye Loan and Purchase Agreement Program	
Secs 274 201-274 234.....	Secs 656 1-656 24	
240 of Chapter II.....	659—Seeds	
240 of Chapter II.....	Subpart—1948 Alfalfa Seed Loan and Purchase Agreement Program	
240 of Chapter II.....	Secs 659 1-659 24	
240 of Chapter II.....	661—Sweetpotatoes	
240 of Chapter II.....	Subpart—1948 Sweetpotato Price Support Program	
240 of Chapter II.....	Sec 661 1-1948 Price Support Announcement	
277 of Chapter II.....	664—Tobacco	
Secs 277 40-277 49.....	Subpart—1948 Tobacco Loan Program	
	Secs 664 1-664 11	

RULES AND REGULATIONS

SUBCHAPTER C—LOANS, PURCHASES, AND OTHER OPERATIONS—Continued
Old part and section Nos. *New part and section Nos.*

504 of Chapter V-----	Subpart—General Vegetable Purchase Program (Fiscal Year 1949).
Sec. 504.102-----	Sec. 669.1.
	669—Vegetables, fresh
	671—Wheat
251 of Chapter II-----	Subpart—1948 Wheat Loan Program.
Secs. 251.201-251.227-----	Secs. 671.1-671.27.
	Subpart—1948 Wheat Purchase Agreement Program.
Secs. 251.228-251.242-----	Secs. 676.41-671.55.

Dated: December 20, 1948.

[SEAL]

F. K. WOOLLEY,
Acting Administrator
Production and Marketing Administration.
 ELMER F. KRUSE,
Manager
Commodity Credit Corporation.

[F. R. Doc. 48-11201; Filed, Dec. 22, 1948; 9:02 a. m.]

TITLE 7—AGRICULTURE

Subtitle A—Office of the Secretary

PART 1—ADMINISTRATIVE REGULATIONS

DELEGATION OF AUTHORITY TO CARRY OUT THE RESPONSIBILITIES OF THE UNITED STATES DEPARTMENT OF AGRICULTURE UNDER TITLES I AND IV OF THE FOREIGN ASSISTANCE ACT OF 1948

The Administrator of the Production and Marketing Administration is hereby authorized, in behalf of this Department, to cooperate, to the extent he deems feasible in keeping with other established departmental responsibilities, with the Economic Cooperation Administration and any other Government agency in carrying out such activities and duties, other than those to be performed by Commodity Credit Corporation, as may be assigned to this Department under the authority of Titles I and IV of the Foreign Assistance Act of 1948, Public Law 472, 80th Congress, and Executive Order 9943 dated April 9, 1948, and in connection therewith to enter into such contracts and to perform such services as may be necessary to carry out such activities and duties.

In carrying out the authority delegated hereunder, the Administrator of the Production and Marketing Administration may delegate, with the power to redelegate, any of his authority to such employees of the Production and Marketing Administration as he may deem advisable, and will be responsible for coordination of Department activities covered by this authorization.

Nothing contained herein shall affect the authority delegated to the Administrator by the delegations entitled "Termination of Domestic Market Price under Section 112 (e) of the Foreign Assistance Act of 1948" (13 F. R. 2767) and "Delegation of Authority to Determine Surplus Agricultural Commodities under Section 112 (d) of the Foreign Assistance Act" (13 F. R. 5259)

This delegation shall be effective as of April 9, 1948.

(R. S. 161, 5 U. S. C. 22)

Done at Washington, D. C., this 15th day of December 1948.

[SEAL] A. J. LOVELAND,
Acting Secretary of Agriculture.

[F. R. Doc. 48-11200; Filed, Dec. 22, 1948; 8:57 a. m.]

PART 9—PRICE SUPPORT OF AGRICULTURAL COMMODITIES

TRANSFER TO TITLE 6

EDITORIAL NOTE: Part 9 of Title 7 is transferred to Title 6 (see Chapter IV of Title 6, *supra*). As so transferred it is assigned to Part 633 of that title, and former § 9.1 (13 F. R. 7631) is renumbered § 633.1 under the headline "Support prices for hogs (October 1948-March 1949)"

TITLE 11—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

REDESIGNATION OF TITLE AND DISCONTINUANCE OF CODIFICATION OF PARTS 1, 2, AND 3

In preparation for the publication of the Code of Federal Regulations, 1949 Edition, as prescribed by the regulations of the Administrative Committee of the Federal Register and approved by the President effective October 12, 1948 (13 F. R. 5929) the following editorial changes are made, effective upon publication in the FEDERAL REGISTER:

1. Title 11—Atomic Energy is renumbered Title 10—Atomic Energy.

2. The codification of Part 1—Organization, and Part 2—Procedures, of Chapter I, is hereby discontinued. Future amendments to these parts will appear in the Notices section of the FEDERAL REGISTER.

Dated: December 17, 1948.

UNITED STATES ATOMIC
 ENERGY COMMISSION,
 CARROLL L. WILSON,
General Manager

[F. R. Doc. 48-11170; Filed, Dec. 22, 1948; 8:45 a. m.]

TITLE 13—BUSINESS CREDIT

Chapter I—Reconstruction Finance Corporation

Chapter I of Title 13 is revised to read as follows:

Part

- 1 Railroads and receivers or trustees thereof; loans.
- 2 Municipalities and other public agencies; financing of projects.
- 3 Business enterprises, loans; and participations in such loans.
- 50 Federal National Mortgage Association.

PART 1—RAILROADS AND RECEIVERS OR TRUSTEES THEREOF; LOANS

Sec.

1.1 Introduction.

GENERAL REQUIREMENTS

- 1.2 Form of obligation.
- 1.3 Compliance with Interstate Commerce Act is required.
- 1.4 Fees and commissions prohibited.
- 1.5 Examinations and reports.

APPLICATION

1.10 Form of application.

LEGAL REQUIREMENTS

- 1.15 Papers required with application.
- 1.16 Papers required after approval.
- 1.17 Papers required from receivers or trustees.
- 1.18 Additional information required.

ACKNOWLEDGEMENT AND VERIFICATION OF APPLICATION

- 1.20 Application by corporation, receiver or trustee.

AUTHORITY: §§ 1.1 to 1.20 issued under 61 Stat. 202, as amended by Pub. Law 548, 80th Cong.

DERIVATION: Circular 2, Rev. June 1948.

§ 1.1 *Introduction.* Under the provisions of the Reconstruction Finance Corporation Act, as amended, the Corporation is authorized to purchase the obligations of and to make loans to railroads or receivers or trustees thereof, subject to the following conditions:

(a) That the financial assistance applied for is not otherwise available on reasonable terms;

(b) That all obligations purchased and all loans made be of such sound value or so secured as reasonably to assure retirement or repayment;

(c) That, in the case of railroads engaged in interstate commerce or receivers or trustees thereof, the purchase of such obligations or the making of such loans be with the approval of the Interstate Commerce Commission;

(d) That, in the case of railroads that are not in receivership or trusteeship, the Interstate Commerce Commission certify, in connection with its approval, that the railroad, on the basis of present and prospective earnings, may be expected to meet its fixed charges without a reduction thereof through judicial reorganization, with the exception, however, that such certificate is not required if the purchase of obligations or loan is for the acquisition of equipment or for maintenance.

The term "obligations," as used herein, includes Equipment Trust Certificates.

GENERAL REQUIREMENTS

§ 1.2 *Form of obligation.* The form of the obligation, the terms thereof and the security therefor must be satisfactory to RFC and the Interstate Commerce Commission.

§ 1.3 *Compliance with Interstate Commerce Act is required.* Since the issuance by railroads of evidences of indebtedness must be in compliance with the provisions of section 20a of the Interstate Commerce Act, the applicant should ascertain whether an application under such section 20a should be filed with the Interstate Commerce Commission.

§ 1.4 *Fees and commissions prohibited.* No fee or commission may be paid by any applicant in connection with an application for financial assistance under the provisions of the act, and any agreement to pay or the payment of any such fee is unlawful.

§ 1.5 *Examinations and reports.* The applicant must consent to such examinations as the Corporation may require and must agree that reports of examinations by the Interstate Commerce Commission, or other constituted authorities, may be furnished to the Corporation upon its request.

APPLICATION

§ 1.10 *Form of application.* Applications should include or be supported by the following information, representations, etc., arranged in the following order to facilitate consideration:

(a) The full corporate name of the applicant, the state in which the applicant was incorporated, and the date of incorporation; (if the application is filed by a receiver or receivers, or by a trustee or trustees, the name and full title of each, the date of appointment and qualification of each, and the name of the court having jurisdiction should be given)

(b) The name, title, and address of the person with whom conferences or correspondence should be had with respect to the application;

(c) Information as to the applicant's efforts to obtain the needed financing from other sources, and as to the results of such efforts; (the applicant should furnish copies of correspondence from all, and not less than three, lending institutions or security underwriters to which application for the financing has been made, evidencing that they have declined the financing or specifying the terms upon which they will undertake the financing)

(d) The purpose of the loan or purchase, the maturity thereof, the use to which it will be applied and the date or dates on which the applicant desires the funds to be made available;

(e) The present status of the applicant's existing financial relations with the United States as to:

(1) Loans made to the applicant and the security therefor (i) under Federal control; (ii) under section 210, Transportation Act, 1920; (iii) under section 203 (a) Federal Emergency Act of Pub-

lic Works; and (iv) under the Reconstruction Finance Corporation Act;

(2) Claims under section 209, Transportation Act, 1920, and the security pledged therefor;

(3) Claims on account of deficits under section 204, Transportation Act, 1920;

(4) Any other debts or credits existing between the applicant and the United States.

(f) Statement in detail regarding prospective earnings or other sources upon which applicant relies for funds to repay the financial assistance applied for, and proposed repayment schedule; (full particulars concerning the proposed repayment schedule should be given, especially as to any reasons an earlier maturity than that requested, or a more rapid amortization, is not deemed advisable by the applicant).

(g) The latest valuation placed by the Interstate Commerce Commission upon applicant's property, separately stated for owned carrier and noncarrier property, and the date as of which such valuation was determined, together with the aggregate net property changes to the latest date to which such changes have been reported to the Bureau of Valuation;

(h) Statement as to whether any subsidiary, or affiliated organization of which the applicant is a subsidiary, has applied for or received financial assistance from the Reconstruction Finance Corporation (if any such organization has applied for or received financial assistance from RFC, full particulars should be given)

(i) Statement of principal commodities carried, and information regarding the ten most important industries served;

(j) Detailed description of the obligation to be purchased or of the security to be offered for the loan, together with copies of documents, and other data appropriate to the security offered, including applicant's opinion of the value of any collateral offered and the basis for such opinion;

(k) Consent of applicant to such examinations as the Corporation may require for the purposes of the act and agreement that reports of examinations by constituted authorities may be furnished by such authorities to the Corporation upon request therefor;

(l) Statement that no agreement has been or will be made by the applicant to pay any person, association, firm, or corporation, either directly or indirectly, any commission or fee in connection with the financial assistance applied for and that no such payments have been or will be made by the applicant;

(m) Schedules A to R, as hereinafter described, and in the order in which hereinafter listed.

SCHEDULE A

Miles of line owned; miles operated, subdivided as to first track, other main tracks, yard track, and sidings, and total all tracks operated; also, the principal terminal of the road operated. State number of units of locomotives, freight cars, and passenger cars, owned and leased.

SCHEDULE B

(a) Comparative income account for each of the last ten calendar years and for each month of the current year, so far as available, in the form prescribed by the Interstate Commerce Commission in Schedule 300-I of annual report Form A for large roads and Schedule 1801 of annual report Form C for small roads, together with an estimated income account, showing the basis therefor, for each remaining month of the current year and for each month of the year subsequent thereto.

State whether the amounts reported include revenues from actual or anticipated increases in freight rates permitted by the Interstate Commerce Commission in Ex Parte No. 169 or from any actual or anticipated increases under decisions issued subsequently by the Interstate Commerce Commission and, if so, show such amounts separately. If such amounts are not included, give estimates, by months, on separate schedule for current year and year subsequent thereto. Also, in this connection, if the Interstate Commerce Commission should cancel or modify downward its decision in Ex Parte 169, or other later decisions, show how this would affect revenues after the modifications became effective.

If applicant prepares a report to stockholders containing a consolidated system income account, covering two or more steam railway companies, which differs from returns in Schedule 300-I, copies of such report should also be furnished.

(b) Actual and estimated effect, by month, for current year and for one year subsequent thereto, of wage increases first made applicable during the current year.

(c) The total dividends declared and the total dividends paid for each of the years indicated under (a) preceding, and to date in the current year.

(d) Comparative statement of expenditures for maintenance of (1) way and structures and (2) equipment for each of the last ten calendar years and for each month of the current year, together with estimates for the remaining months of the current year, and the basis of such estimates.

(e) For the years indicated in (a) above, details of dividend income (account 513), income from funded securities (account 514), income from unfunded securities and accounts (account 515), income from sinking and other reserve funds (account 516), and miscellaneous income (account 519).

Note: The data required by paragraphs (a), (c), (d), and (e) above must give effect to any restatement of the accounts which has been made by the Interstate Commerce Commission.

SCHEDULE C

(a) State whether any corporation or corporations, transportation or other, hold control over the applicant. If control is so held, (1) the form of control, whether sole or joint; (2) the name of the controlling corporation or corporations; (3) the manner in which control was established; (4) the extent of control; (5) whether control is direct or indirect; and (6) the name of the intermediary through which control, if indirect, was established.

(b) State whether any individual, association, or corporation holds control, as trustee or otherwise, over the applicant. If control is so held, (1) the name of the individual or trustee; (2) the name of the beneficiary or beneficiaries for whom the trust is maintained; and (3) the purpose of the trust.

SCHEDULE D

Statement of comparative general balance sheets as of December 31, of each of the last ten years, and as of the close of the latest month for which figures are available. Use the Interstate Commerce Commission's annual report Form A, Schedules 200-A and

200-L for large roads and annual report Form C, Schedules 400-A and 400-L for small roads. If applicant prepares a report to stockholders containing a consolidated system balance sheet, covering two or more operating steam railway companies, which differs from returns in Schedules 200-A and 200-L, a copy of the information thus reported to the Interstate Commerce Commission should also be furnished.

SCHEDULE E

Details of capital stock. Large roads should use the Interstate Commerce Commission's annual report Form A, Schedule 251. Small roads should use Form C, Schedule 690.

SCHEDULE F

Details of long-term debt and contingent assets and liabilities. Large roads should use the Interstate Commerce Commission's annual report Form A, Schedules 261-M, 261-E, 110-A, 261-P, and 263. Small roads should use Form C, Schedules 670, 695, 901, and 1702. A list of the mortgages, pledges, or other liens should be given, together with a brief statement concerning each, indicating the property or securities encumbered; the mortgage limit per mile, if any; and particulars as to priority and as to whether "open," "closed," or "open-end." If practicable, copies of all mortgages, deeds of trust, or other similar instruments pertinent to the loan requested should be furnished; it will be necessary to furnish only one copy to the Interstate Commerce Commission and two copies to the Corporation.

SCHEDULE G

Details of loans and bills payable. Large roads should use the Interstate Commerce Commission's annual report Form A, Schedule 271. Small roads should use Form C, Schedule 1701. Class II and III roads should report in detail items in excess of \$10,000 and \$5,000, respectively. Information on bank loans must include name of lending banks, amounts, date of notes, date loans initially made, maturities, interest rate of obligations, and security therefor.

SCHEDULE H

Details of special deposits and of loans and bills receivable. The Interstate Commerce Commission's annual report Form A, Schedules 224 and 225, should be used. Class II and III roads should report in detail items in excess of \$10,000 and \$5,000, respectively.

SCHEDULE I

State whether or not the applicant is under obligation as guarantor or surety for the performance by any other corporation, association, firm, or individual of any agreement or obligation. If so, particulars should be given.

SCHEDULE J

Details of other unadjusted debits. The Interstate Commerce Commission's annual report Form A for large roads, Schedule 227, should be used.

SCHEDULE K

Details of other unadjusted credits. The Interstate Commerce Commission's annual report Form A for large roads, Schedule 281, should be used.

SCHEDULE L

The par value of securities of other companies, owned, pledged, and unpledged, listing each class of securities separately, showing purposes for which such securities are pledged. Large roads should use Schedules 217 and 218 of the Interstate Commerce Commission's annual report Form A and small roads should use Schedules 1001 and 1002 of annual report Form C.

SCHEDULE M

Comparative statement for the past 5 years ended December 31 of the amount charged

to operating expenses under depreciation accounts, separately for way and structures and equipment, and the estimated amount of such charges for the current year, and subsequently by years during the period for which the loan is desired. State whether applicant has received or applied for authority to charge amortization depreciation and, if so, the basis and reason for such accounting, also the annual rates used in each account.

SCHEDULE N

An estimate of (a) other income, and (b) miscellaneous deductions from income, as defined and classified under Schedule 300-I of the Interstate Commerce Commission's annual report Form A for large roads (Schedule 1801 of annual report Form C for small roads), for the term of the loan applied for, stating under each account the basis of the estimate.

SCHEDULE O

Statement in detail of applicant's probable fixed charges and appropriations of income and surplus for the current year ended December 31, and subsequently by years during the period for which the loan is desired.

SCHEDULE P

If a loan is requested for any construction purpose other than ordinary additions and betterments, copy of complete engineering estimates of costs and time required for completion, contracts, maps, etc., should be furnished. Show such costs separately as between amounts chargeable to operating expenses and to the capital account.

SCHEDULE Q

If an advance is requested for financing an ordinary program of additions and betterments, give description and estimated cost for all items involving gross expenditures in excess of \$10,000, with supporting detail regarding any very large special items, the sum total involved, discussion of benefits of the program as a whole, and the extent to which the program is under way. Separate costs between amounts chargeable to operating expenses and to the capital account.

SCHEDULE R

A statement for the current year of the actual cash balance at the beginning of each month and the actual cash receipts and disbursements during each month to date, together with a carefully prepared monthly forecast for the balance of the current year and the year subsequent thereto, stating controlling factors used in making estimates.

Note: In connection with all comparative statements supporting the application, substantial fluctuations should be explained. Omit cents from all financial and statistical statements. One complete set of applicant's last ten annual reports to stockholders should be furnished to the Interstate Commerce Commission and one set to the Reconstruction Finance Corporation with application.

LEGAL REQUIREMENTS

§ 1.15 *Papers required with application.* Applicants other than receivers or trustees are required to furnish with the application the following papers:

(a) Documents evidencing the legal power and authority of the applicant to enter into the obligations and give the security contemplated by the application and showing what corporate action by stockholders, directors, or otherwise will be required to validly exercise such powers. These data will generally include special statutes, charters, by-laws, or certified extracts of the same, showing the corporate powers, etc., of the applicant.

(b) Preliminary opinion of counsel that he is familiar with the corporate powers of the applicant, that the applicant is authorized to make the application, and that when proper corporate action has been taken and the obligations executed, and security delivered as contemplated by the application, such obligations will constitute the valid and subsisting obligations of the applicant duly secured by a first and paramount lien on the same, or by a lien of the rank and priority stated in the application. Such opinion should also cover the validity and lien of each item of the collateral offered.

(c) Certified copy of resolutions of applicant's board of directors or executive committee will be required showing the authority of the officers to execute and deliver the application.

§ 1.16 *Papers required after approval.* When and if the application is approved, the following papers will be required for deposit with the security:

(a) Resolutions of the board of directors or executive committee of the applicant, and where necessary, of meetings of the stockholders, authorizing the execution and delivery of the obligations of the applicant delivered to the Corporation, and pledge of the security described therein, pursuant to and under the terms of the application, and authorizing the designated officers to receive and receipt for the proceeds of the loan or purchase.

(b) Certificate of election and present incumbency in office of officers designated in the foregoing resolutions, such certificate to contain specimen signatures of such officers and to be duly acknowledged before a notary public.

(c) Final opinion by counsel for the applicant to the effect that he is familiar with the corporate powers of the applicant; that the applicant is authorized to execute and deliver the notes or other obligations evidencing the same, and to pledge and hypothecate the securities described in the application; that the notes or other obligations so executed and so delivered constitute the valid and binding obligations of the applicant, secured by the collateral described in the application and indicating that the Corporation will obtain a lien on such security of the rank and priority stated in the application. Such opinion should also cover the priority and lien of each item of the collateral offered.

§ 1.17 *Papers required from receivers or trustees.* In the case of applications by receivers, or trustees, the application should be accompanied by the following:

(a) Certified copy of the order of court authorizing the receiver to make the application.

(b) Opinion of counsel for the receiver, or trustee, that such receiver, or trustee, is properly qualified and acting, and that he is authorized to make the application; that the court appointing such receiver, or trustee, has jurisdiction and may legally authorize execution of the obligations and pledge of the security as contemplated by the application; that if and when proper decree or order of the court is entered, the receiver, or trustee, will be authorized to execute such obligations or give the security contemplated.

plated in the application. Such opinion should also cover the priority and lien of each item of the collateral offered.

(c) If and when the application of the receiver, or trustee, is approved by the Corporation, the receiver, or trustee, will be required to deposit with the Corporation certified copies of the court orders and decrees authorizing him to execute and deliver the obligations, and to give the security under and according to the terms of the application, together with final opinion of counsel as to the validity of the obligation and the lien of the corporation upon the security so pledged. Such opinion should also cover the priority and lien of each item of the collateral offered.

§ 1.18 Additional information required. Under special circumstances, additional legal documents and information may be required.

ACKNOWLEDGMENT AND VERIFICATION OF APPLICATION

§ 1.20 Application by corporation, receiver or trustee. (a) Where the applicant is a corporation, the application should be executed in the name of the corporation by a duly authorized officer, or officers, and the corporate seal of the applicant should be affixed and attested. There should be appended to the application, a certificate, in the usual form, signed by each officer by whom the application is signed, setting forth his official title and stating: (1) That he has examined all of the statements contained in the application and that they are true and correct to the best of his knowledge and belief; (2) that the application submitted is made with the approval and at the direction of the Board of Directors of the applicant pursuant to a resolution adopted at a meeting of the said Board; and (3) that he has been authorized by a resolution of the said Board of Directors to execute the application and the papers required in connection therewith. A certified copy of such resolution, or resolutions, should be attached to the application.

(b) Where the application is by a receiver or receivers, or a trustee or trustees, it should be executed under seal by the applicant or applicants. There should be appended to the application, a certificate, in the usual form, signed by each trustee or receiver, setting forth representations similar to those indicated in paragraph (a) of this section, except that the certificate should state that the application is made with the approval and at the direction of the Court having jurisdiction, and that the applicant or applicants have been authorized by the Court to execute the application and the papers required in connection therewith. A certified copy of the Court Order(s) containing such authorizations and directions should be attached to the application.

PART 2—MUNICIPALITIES AND OTHER PUBLIC AGENCIES; FINANCING OF PROJECTS

Sec.
2.1 Introduction.
2.2 Financing applied for must be unavailable from other sources on reasonable terms.

Sec.
2.3 Assurance of repayment is required.
2.4 Purpose.
2.5 Type of obligation.
2.6 When to file application.
2.7 Application forms and where to file applications.
2.8 Fees and commissions prohibited.
2.9 Expenses of applicant.
2.10 Compliance with applicable labor regulations is required.
2.11 Funds made available in installments as work progresses.

AUTHORITY: §§ 2.1 to 2.11 issued under 61 Stat. 202, as amended by Pub. Law 449, 80th Cong.

DERIVATION: Circular 22, Rev. July 1948.

§ 2.1 Introduction. The Reconstruction Finance Corporation is authorized under section 4 (a) (3) of the RFC Act, as amended, to purchase the securities and obligations of, or make loans to:

(a) States, municipalities, and political subdivisions of States,

(b) Public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and

(c) Public corporations, boards and commissions,

for the purpose of aiding in financing projects authorized under Federal, State, or municipal law.

§ 2.2 Financing applied for must be unavailable from other sources on reasonable terms. The Reconstruction Finance Corporation will not extend financial assistance unless the financial assistance applied for is not otherwise available on reasonable terms. Applicants should make every effort to obtain the required financing from other sources before applying to RFC, and when applying to RFC should submit full details regarding their negotiations to obtain the required financial aid elsewhere.

§ 2.3 Assurance of repayment is required. All securities and obligations purchased and all loans made by RFC shall be of such sound value or so secured as reasonably to assure retirement or repayment.

§ 2.4 Purpose. Financial assistance will be extended by RFC only for projects authorized under Federal, State, or municipal law. No security or obligation will be purchased by RFC nor will any loan be made for the payment of ordinary governmental or nonproject operating expenses as distinguished from specific public projects. Typical projects which may be considered eligible include the construction, repair, or improvement of water or sewer systems, bridges, tunnels, highways, hospitals, airport facilities, drainage and irrigation systems, transit systems, port facilities, public college dormitories, public authority housing facilities, and other types of public facilities.

§ 2.5 Type of obligation. The borrowers' obligations may be in the form of revenue bonds, general obligation bonds, notes, or other valid obligations, provided the kind of obligation is satisfactory to RFC. The issuance and sale of the obligations must be authorized under applicable State and local law, for the purpose of financing the proposed

project. The terms of the obligations must be satisfactory to RFC with maturities of not in excess of 40 years, and a satisfactory showing will be required as to the sufficiency of the estimated revenues to retire the obligations.

§ 2.6 When to file application. Applications will be considered by RFC at any stage of preparation or progress of the project, but it is preferable for the applicant to submit the application before beginning work on the project and before fixing the terms of its bond issue. Thus, on projects where RFC financing is contemplated or desired, it is advisable, from the standpoint of the applicant, to submit the application to RFC and to await its outcome before conducting election or other legal proceedings to fix the amount and other terms of the proposed bond issue. Likewise, it is inadvisable for the applicant to start construction work or to let contracts for the project before the application has been actually approved by RFC.

§ 2.7 Application forms and where to file applications. Application forms for use by public agencies in applying for financial assistance from RFC may be obtained from the Washington office of RFC or from any RFC Loan Agency. The application, when filed, should be accompanied by appropriate maps, plans, specifications, and other data and memoranda necessary for full examination of the proposed securities and of the project to be financed. Three signed copies of each application and supporting data should be filed, except that only one set of plans and specifications and similar engineering exhibits, and only one copy of the applicant's charter and similar legal exhibits, when required, need be furnished. Applications should be sent directly to the Public Agency Branch, Office of Loans, Reconstruction Finance Corporation, Washington 25, D. C. Applications may also be submitted through the RFC Loan Agency serving the territory in which the applicant is located.

§ 2.8 Fees and commissions prohibited. No fee or commission may be paid by any applicant for financial assistance under the provisions of the RFC Act as amended in connection with any such application, and any agreement to pay or payment of any such fee or commission is unlawful. However, the applicant, subject to prior approval of RFC, may pay actual reasonable costs incurred including such items as compensation for services rendered by attorneys, engineers, and architects.

§ 2.9 Expenses of applicant. RFC will be under no obligation to pay costs, charges, or expenses incurred by the applicant in connection with the preparation and filing of an application or furnishing any information required by RFC.

§ 2.10 Compliance with applicable labor regulations is required. Applicants receiving financial assistance from RFC for construction projects must agree to comply with the regulations relating to pay for labor promulgated by the Secretary of Labor under the "Kickback" statute (40 U. S. C. A. sec. 276c).

§ 2.11 *Funds made available in installments as work progresses.* The applicant's securities issued to finance the project may be purchased by RFC all at one time or in installments as the funds are needed to pay the costs of the project.

PART 3—BUSINESS ENTERPRISES, LOANS; AND PARTICIPATIONS IN SUCH LOANS

Sec.

3.1 Introduction.

REQUIREMENTS FOR ALL LOANS

- 3.5 General.
- 3.6 Where to apply to RFC.
- 3.7 Preliminary information to be furnished by applicants.
- 3.8 Eligible borrowers.
- 3.9 Eligible purposes.
- 3.10 Security requirements.
- 3.11 Maturity and repayment requirements.
- 3.12 Interest rates.
- 3.13 Charges, commissions, fees.
- 3.14 Audits and reports.
- 3.15 Salaries and dividends.
- 3.16 Appraisals.

REQUIREMENTS FOR LOANS IN PARTICIPATION WITH BANKS

- 3.20 General.
- 3.21 Deferred participations; definition.
- 3.22 Immediate participations; definitions.
- 3.23 Small loan participations.
- 3.24 Other participations.
- 3.25 Interest rates.
- 3.26 Participation charges.
- 3.27 Administration of participations.
- 3.28 Provisions for purchase of entire loan by either participant (RFC or Bank)

AUTHORITY: §§ 3.1 to 3.28 issued under 61 Stat. 202, as amended by Pub. Law 548, 80th Cong.

DERIVATION: Circular 26, June 1948.

§ 3.1 *Introduction.* The RFC is authorized to make loans to business enterprises and to participate with banks in such loans, to encourage small business, to help in maintaining the economic stability of the country and to assist in promoting maximum employment and production.

No loan or participation in a loan may be approved by RFC if the financial assistance applied for is otherwise available on reasonable terms.

Participations by RFC with banks are designed for the purpose of enabling applicants to obtain financial assistance in instances where banks are unable to carry the entire loan on their own account because of regulatory restrictions or other reasons. Such participations may be immediate, in which case the RFC purchases a participation at the time the loan is made, or may be deferred. In the case of deferred participations the interest derived from the entire loan accrues to the bank until such time as RFC purchases its agreed participation. The bank pays a reasonable participation charge during this period to cover the obligation assumed and expense incurred by RFC in connection with the loan.

REQUIREMENTS FOR ALL LOANS

§ 3.5 *General.* Before applying to RFC, an applicant should make every effort to obtain the loan elsewhere. If unable to obtain the entire loan from a bank or other source, the borrower

should ascertain whether a bank will make the loan if RFC agrees to purchase a participation. Where a bank is willing to make the loan with RFC participating, the bank may advise the applicant to apply to RFC on such basis, or may itself communicate with RFC regarding a participation agreement. This participation plan is outlined in §§ 3.20–3.28.

If the applicant is unable to obtain the loan from any other source, with or without RFC participation, RFC will consider an application for a direct loan.

§ 3.6 *Where to apply to RFC.* An applicant desiring to obtain a loan from RFC should apply to the RFC loan agency serving the territory in which the applicant is located. RFC has loan agencies in thirty-one cities. Applicants for mining loans may apply to the agency in whose territory the operation is located or, if more convenient, to the nearest of RFC offices located at Reno, Nevada; Joplin, Missouri; Phoenix, Arizona; and Fairbanks, Alaska.

§ 3.7 *Preliminary information to be furnished by applicants.* At the time an applicant first communicates with an RFC loan agency in regard to obtaining a loan, he should advise the Loan Agency as to the amount of loan applied for, how it will be secured, the purpose of the loan and the nature of his business. Full information should also be furnished as to the names of banks to which he has applied for the loan, the reason he was unable to obtain the financing applied for, and whether a bank, if unable to make the loan without RFC participation, would make the loan on condition that RFC agree to purchase a participation.

The loan agency will furnish the applicant an application form and any necessary information. For loans of not over \$100,000 a short form of application generally may be used. A more comprehensive form is required in the case of larger loans.

§ 3.8 *Eligible borrowers.* Any business enterprise organized or operating under the laws of any State (including the District of Columbia, Alaska, Hawaii, Puerto Rico, and the Virgin Islands) or the United States, which is privately owned and conducted for profit is eligible to apply, for a loan from RFC. Non-profit organizations, such as charitable, religious and social agencies or societies, or similar organizations are not eligible.

§ 3.9 *Eligible purposes.* RFC will consider loans to business enterprises for such purposes as the following:

(a) To pay labor and purchase material required in the business, including merchandise for resale;

(b) To replace obsolete or worn-out machinery, or to purchase additional machinery, provided it is shown that such capital expenditures are necessary for efficient operation and are economically sound;

(c) To finance new business enterprises or to enable established business enterprises to expand into new fields of endeavor, provided it can be shown that such loans will be sound from an economic as well as a credit standpoint; that

the enterprise is sufficiently beyond the developmental or promotional stage reasonably to assure profitable future operations; and that, after giving effect to the loan, the applicant will have sufficient working capital to assure continuous operation;

(d) To finance construction, provided the applicant is prepared to show that in the event actual cost exceeds estimates, it is in position to provide sufficient funds to complete the construction and to assure continuous operation;

(e) To pay existing indebtedness, for which purpose a reasonable portion of the loan proceeds may be used, provided the applicant, after receiving the loan and after payment or adjustment of debt, will have sufficient working capital and other assets to provide reasonable assurance of continuous operation.

§ 3.10 *Security requirements.* The RFC Act, as amended, requires that all business loans shall be so secured as reasonably to assure repayment. Collateral, in order to be acceptable, shall be of a character and amount which, considered in connection with other factors, such as the integrity and ability of the management and prospective earnings, will afford reasonable assurance of repayment.

Security may consist of one or more of the following: a mortgage on real estate, or on plant and equipment, an assignment of warehouse receipts for marketable merchandise stored in satisfactory warehouses; a mortgage on chattels; or an assignment of current receivables (accounts, notes or trade acceptances). The applicant may offer as additional collateral any other assets of sound value. A pledge or mortgage of inventories generally will not be regarded as satisfactory collateral unless stored in a bonded or otherwise acceptable warehouse, or unless the applicable State law provides for creating and maintaining a satisfactory lien upon inventory not so warehoused.

While the questions of security and collateral are important in determining whether a loan will be made, they do not alone constitute the factors upon which the approval or rejection of an application is determined. RFC also attaches great importance to such matters as management; the inherent soundness of the business enterprise; its earnings record and prospects; its long range possibilities of successful operation; and whether the granting of a loan will increase employment or have other favorable effects upon the economic life of the community.

§ 3.11 *Maturity and repayment requirements.* Loans shall mature at such time as RFC may determine in each case and generally shall be repayable in monthly installments. A program of payments will be arranged with a view to the orderly liquidation of the debt by the borrower, and, in so far as can be estimated, on a basis that will enable the borrower to make plans for the development of future business without being unnecessarily restricted by a repayment schedule that would impair the borrower's working capital during the life of the loan.

§ 3.12 *Interest rates.* Interest shall be at such rate as may be fixed from time to time by the directors of RFC.

§ 3.13 *Charges, commissions, fees.* Payment of fees or commissions for the purpose of, or in connection with, obtaining loans from RFC or loans in which RFC participates is prohibited by law. The applicant, subject to RFC's prior approval, may pay actual reasonable costs incurred in connection with the application, including such items as compensation for services rendered by attorneys, appraisers and accountants, but in no event including any payment in the nature of a fee or commission.

§ 3.14 *Audits and reports.* Special audits usually are not required when an applicant furnishes satisfactory sworn financial statements. However, an audit of the applicant by RFC's auditors or by independent auditors satisfactory to RFC may be required.

Borrowers are expected to submit signed operating and financial statements quarterly or semi-annually and at such other times as may be required by RFC so long as any portion of the loan remains unpaid.

§ 3.15 *Salaries and dividends.* As long as any portion of a loan remains outstanding, no dividends may be paid by any corporate borrower nor may any distribution or withdrawals (except reasonable compensation for services) be made by a partnership or individual borrower without the consent of RFC, nor may compensation for services of officers, directors or employees be paid at a rate in excess of that which appears reasonable to RFC.

§ 3.16 *Appraisals.* The properties offered to secure a proposed loan should be appraised by a person competent to perform this service. A signed copy of the appraisal is required. Before incurring the expense of an appraisal, the applicant should submit a description of the collateral to be offered and should make preliminary inquiry as to the possibility of obtaining a loan.

REQUIREMENTS FOR LOANS IN PARTICIPATION WITH BANKS

§ 3.20 *General.* RFC will participate with banks in acceptable business loans if the applicant is unable otherwise to obtain the required financing upon reasonable terms. The Corporation desires the bank to carry as much of the loan as possible, with the Corporation agreeing to purchase only such part as the bank and its correspondent banks for any reason will not take.

Such participations are of two general classifications, deferred participations and immediate participations.

§ 3.21 *Deferred participations; definition.* A deferred participation is a participation in which the RFC and the bank execute an agreement under which RFC will purchase, upon ten days' demand by the bank, an agreed percentage of the unpaid balance of the loan, provided the bank has complied in all respects with the terms of the agreement. Such participations by RFC may not exceed 70% in loans of not over \$100,000 and 60% in loans of more than \$100,000.

§ 3.22 *Immediate participations; definition.* Immediate participations, which may cover any portion of the loan agreeable to both participants, are of two general types:

(a) Participations in which RFC and the bank execute an agreement under which RFC purchases from the bank immediately upon disbursement by the bank, an agreed percentage of each disbursement made by the bank on account of a loan approved by both; and

(b) Participations in which RFC and the bank execute an agreement under which the bank purchases from RFC, immediately upon disbursement by RFC, an agreed percentage of each disbursement made by RFC on account of a loan approved by both.

§ 3.23 *Small loan participation.* In connection with loans of not over \$100,000, in which the bank desires RFC to take a deferred participation, the applicant may deal entirely with the bank and is not required to file an application with RFC. The bank is required in such cases, to file a short one-page application with the RFC loan agency serving the territory in which the bank is located. The bank's application should be accompanied by the financial and operating statements of the applicant, a report on the appraisal of the collateral offered, and pertinent information concerning the applicant and the purpose of the loan. The form of such applications and the procedures in processing them have been simplified as much as possible in order that they may be acted upon with the utmost promptness.

§ 3.24 *Other participations.* In the case of all other loans in which the bank desires RFC to participate (i. e., loans other than those referred to in the immediately preceding paragraph) the applicant is required to fill out and file with the RFC loan agency an application on an RFC application form, which may be obtained from the loan agency. When completed by the applicant the application may be delivered by the applicant direct to the loan agency or may be forwarded by the bank to the loan agency.

§ 3.25 *Interest rates.* The interest rate borne by RFC's portion shall not exceed the prevailing RFC interest rate in effect at the time the loan is made. The bank may charge interest up to but not in excess of six per cent per annum on its portion. In every case, however, the borrower's promissory note, if it provides for interest at a rate less than the RFC prevailing interest rate in effect at the time the loan is made, must contain a provision that, upon the purchase by RFC of all or any portion of such loan, interest on the amount so purchased shall accrue at such prevailing RFC interest rate.

§ 3.26 *Participation charges.* In the case of all deferred participations, the bank from which RFC has agreed to purchase a portion of a loan is required to pay a participation charge to cover the obligation assumed and expense incurred by RFC in connection with the loan. This charge which is computed on the unpaid balance of such portion outstanding is

payable in quarterly installments over the period from the disbursement of the loan to the time at which RFC purchases the participation or is released from liability by the bank.

§ 3.27 *Administration of participations.* The participation agreement provides that the bank, so long as it is the holder of the note, shall administer and service the loan subject to the provisions of the agreement. Under this arrangement the borrower deals with the bank in all matters and makes payments to the bank. RFC has the right, however, after the purchase of its participation, to take over the administration of the loan at any time.

§ 3.28 *Provisions for purchase of entire loan by either participant (RFC or bank).* The participation agreement provides that either the bank or RFC may purchase voluntarily the other's interest in a loan at any time upon five days' written notice.

PART 50—FEDERAL NATIONAL MORTGAGE ASSOCIATION

SUBPART A—VA GUARANTEED MORTGAGE LOANS

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AUTHORITY: §§ 50.1 to 50.79 issued under Title III, 48 Stat. 1252, as amended by Pub. Law 804, 80th Cong. and Pub. Law 901, 85th Cong.; 12 U. S. C. 1716-1723 and Sup.

Derivation: Circulars Aug. 10, 1943, Sept. 15, 1943.

SUBPART A—VA GUARANTEED MORTGAGE LOANS

§ 50.1 *Introduction.* Federal National Mortgage Association (hereinafter called "FNMA") has established a secondary market for the purchase of certain real estate mortgage loans (hereinafter called "VA Mortgages" or "Mortgages"), guaranteed by the Adminis-

trator of Veterans' Affairs (hereinafter called "VA") pursuant to sec. 501, or 502, or 505 (a) of the Servicemen's Readjustment Act, as amended (hereinafter called the "VA Act") This secondary market has been established pursuant to authority contained in Title III of the National Housing Act, as amended (hereinafter called the "NH Act") by Public Law 864, 80th Congress, approved July 1, 1948, and by Public Law 901, 80th Congress, approved August 10, 1948. To be eligible for purchase, the notes and security instruments must be on standard forms approved by FNMA, published by VA and obtainable from VA field offices. All inquiries concerning the purchase of VA loans by FNMA should be addressed to the Agent of FNMA in the regional office of Reconstruction Finance Corporation serving the territory where the lender is located, from whom forms of Purchasing and Servicing Agreements, Commitment Contracts, Purchase Contracts, etc., may be obtained.

§ 50.2 Purchase price. FNMA will pay for each eligible mortgage (see § 50.4) an amount equal to the unpaid principal balance thereof, plus accrued and unpaid interest, at the date of purchase.

§ 50.3 Purchases and commitments. Both immediate purchase and commitment procedures are available. FNMA makes no charge in the case of immediate purchases. If seller desires to obtain a commitment from FNMA, a commitment deposit will be required and a commitment fee will be charged (see § 50.7) The commitment period is one year.

§ 50.4 Eligible mortgages. This section sets forth the minimum requirements to be met if a mortgage is to be an "Eligible Mortgage" that may be purchased by FNMA.

(a) Whenever mortgages are delivered to FNMA, seller must deliver concurrently an executed Seller's Certificate, Form FNMA 39, showing information required by FNMA pursuant to section 301 (a) (1) of Title III of the NH Act. Unless all the requirements of the certificate are met, a mortgage is not an eligible mortgage. The same form of certificate is used for both VA guaranteed mortgages and FHA insured mortgages. VA guaranteed mortgages and FHA insured mortgages, or any combination thereof, which meet the requirements of paragraphs (1), (2) (3) (4) (a) and (6) of the certificate, may be included in item D of the computation. With respect to paragraph (6) of the certificate, VA has promulgated a procedure whereby VA will, upon request of seller, make a statement of whether the housing with respect to which the mortgage was made does or does not meet the construction standards prescribed for insurance of mortgages on the same class of housing under the NH Act ("FHA Construction Standards") This statement may appear on the Certificate of Reasonable Value, VA Form 4-1843, or elsewhere. Seller, in its discretion, may accept an affirmative VA statement to support its certification to FNMA, required by law, contained in

paragraph (6) of the certificate; or, through its own facilities or otherwise, seller may have or obtain information deemed by it sufficient to enable it to certify with respect to paragraph (6) of the certificate. The basis upon which seller makes its certification with respect to paragraph (6) of the certificate is for seller to determine.

(b) The mortgage will bear interest at a rate not less than four percent per annum; will be guaranteed by VA pursuant to sec. 501, or 502, or 505 (a) of the VA Act; and will conform to the following:

(1) As to a sec. 501 (home) or 502 (farm) mortgage, the original principal amount will not have exceeded \$10,000 for each single-family dwelling unit covered thereby, and the mortgage will meet either one of the following two requirements:

(i) If the improvements comprise one single-family dwelling unit, the original guaranty will have been at least 50 percent or \$4,000, whichever is less, or

(ii) If the improvements comprise two or more single-family dwelling units, the original principal amount of the mortgage will not have exceeded the original amount of the guaranty plus 60 percent of the official VA appraisal of reasonable value. (Each mortgage that exceeded \$50,000 in its original principal amount will be reviewed by FNMA upon its merits to determine whether it is eligible for purchase.)

(2) As to a sec. 502 (farm) mortgage, the loan will not be nor have been wholly or partially secured by a chattel mortgage, conditional sales contract, or other similar chattel instrument; and the mortgaged premises will include a farm residence.

(3) As to a sec. 505 (a) second mortgage, the original principal amount will not have exceeded 20 percent of the purchase price or cost of the mortgaged premises; the sum of its original principal amount and the original principal amount of the related FHA first mortgage will not have exceeded \$10,000 for each single-family dwelling unit covered thereby; and it will be guaranteed 100 percent by VA.

(c) When a mortgage is delivered to FNMA. All payments will be current; seller will have complied with the VA Act and VA regulations and the guaranty will be in full effect; the improvements will in all respects be ready for occupancy; the proceeds will have been fully disbursed and no funds will remain earmarked or in escrow; there will be no existing condition affecting the mortgagor or his affairs which in the opinion of seller will cause the mortgage to become delinquent; and seller, within the immediately preceding three months, will not have advanced funds, nor have induced nor solicited any advance of funds by another, directly or indirectly, for the payment of any amount required by the Note or Security Instrument (except as specifically provided for in paragraph (g) of this section)

(d) Title evidence will establish that title to the mortgaged premises is such as to be acceptable to prudent lending institutions, informed buyers, title companies, and attorneys, generally, in the

community where the mortgaged premises are situated, and that a lien of the required priority has attached to a fee simple estate (or a leasehold or life estate, as defined in the VA regulations)

(e) The mortgaged premises will be located within a radius of 200 miles of the principal office of seller or of a branch office of seller which FNMA has determined is adequately equipped to service Mortgages; or of an office of a bona fide agent of seller if both agent and office have been approved by FNMA.

(f) The effective date of the VA guaranty will be subsequent to April 30, 1948, and will be not more than one year prior to the date of delivery of the mortgage to FNMA. The "effective date of the VA guaranty" means the latest date borne by any of the following VA forms, as amended or revised, relating to the mortgage: VA Form 4-1899, Loan Guaranty Certificate; or VA Form 4-1876, Certification of Loan Disbursement; or VA Form 4-1861, revised, Loan Closing Statement, showing that full disbursement has been made and that no funds remain earmarked or in escrow, as filed with VA.

(g) Each VA mortgage, unless the security therefor is farm realty, must provide for amortization thereof by the payment of equal monthly installments applicable to interest and principal, payable on the first day of each month. If the security is farm realty, the equal installments may be payable on any of the following regular periodic bases: Monthly, quarterly, semi-annually, or annually. Each mortgage must provide for additional regular periodic payments to cover ground rents, taxes, special assessments, and fire and other hazard insurance premiums. Before a mortgage is offered for purchase, the VA gratuity payment of four percent of the original amount of the guaranty shall have been received, or advanced, by seller, and credited upon the loan. The documents accompanying the delivery of the mortgage must identify the VA gratuity and show clearly how it was applied. In each case interest accruing to the day which precedes by one regular installment period the due date of the first full installment of principal and interest shall have been paid by or for the account of the mortgagor. With the concurrence of the mortgagor, the proceeds of the VA gratuity may be employed in whole or in part to effect payment of such interest. Each VA mortgage must mature not more than 25 years from the date of the note.

(h) If a second mortgage guaranteed by VA under sec. 505 (a) of the act is offered for purchase, seller is required to offer concurrently therewith the related FHA first mortgage (unless the FHA first mortgage is then owned by FNMA) Both mortgages must be eligible for purchase.

§ 50.5 Eligible sellers. Unless specifically excluded by FNMA, a lender within any of the following three classifications is an "Eligible Seller" and may offer eligible mortgages to FNMA for purchase:

(a) Any lender that is classified by VA as a "supervised lender" under sec. 500 (d) of the VA Act, including any

National bank, State bank, private bank, building and loan association, insurance company, credit union, or mortgage and loan company, that is subject to examination and supervision by an agency of the United States or of any State or Territory, including the District of Columbia.

(b) Any lender that is approved by FNMA for the sale of FHA insured mortgages to FNMA.

(c) Any lender that, as determined by FNMA, is adequately equipped to service mortgages and has a net worth of not less than \$50,000. (Lenders that do not qualify under (a) or (b) may apply to FNMA's Agent at the appropriate office of FNMA for designation as an eligible seller, pursuant to paragraph (c) of this section. The letter of application should describe in careful detail the lender's servicing facilities and should transmit a recent financial statement.)

§ 50.6 *Procedures.* At any time after an eligible seller and FNMA have executed a Purchasing and Servicing Agreement, Form FNMA 101, seller may offer one or more eligible mortgages for immediate purchase pursuant to a Purchase Contract, Form FNMA 102, or may request FNMA to join in the execution of a Commitment Contract, Form FNMA 103, for the purchase in the future, within the commitment period of one year, of one or more eligible mortgages to be delivered on or after the effective date of the VA guaranty (see § 50.4 (f)). Commitments of FNMA are restricted to mortgages that are not in existence (full disbursement has not been made) at the date of the commitment contract. Purchase contracts are restricted to mortgages that are in existence (full disbursement has been made and no funds remain earmarked or in escrow) and have not been previously included in a commitment contract between seller and FNMA.

§ 50.7 *Commitment deposits and fees.* An eligible seller that desires to obtain a commitment from FNMA will deposit with FNMA an amount equal to one percent of the original principal amount of each of the mortgages included in a commitment contract. FNMA will charge, with respect to each mortgage, a commitment fee to be retained by FNMA from the commitment deposit applicable to such mortgage (any balance to be refunded to seller), as follows:

(a) One-half of the commitment deposit upon delivery within the commitment period of an eligible mortgage accompanied by seller's certificate (Form FNMA 39) and other documents and evidence enumerated in the Purchasing and Servicing Agreement (Form FNMA 101), or

(b) One-fourth of the commitment deposit upon the written request of seller within the commitment period to withdraw the mortgage from the commitment, accompanied by a statement (1) that the improvements on the mortgaged premises are ready for occupancy and (2) that the mortgage in all respects is eligible to be purchased by FNMA, or

(c) The full amount of the commitment deposit if, at the expiration of the commitment period, seller has not acted

in accordance with either paragraph (a) or (b) of this section.

Since the issuance of a commitment by FNMA is for the benefit of seller, the commitment contract will provide that neither the commitment deposit nor the commitment fee paid by seller shall be charged to or collected from the mortgagor or the purchaser of the mortgaged premises, either directly or indirectly. A fee of only one-fourth of the commitment deposit, under the circumstances related in paragraph (b) of this section, is designed to encourage sellers, within the commitment period, either to retain the mortgages or to dispose of them elsewhere. At the date of execution of a commitment contract FNMA will not inquire whether any or all of the mortgages listed therein will be eligible for purchase under the 50 percent limitation, established by law, set out in the form of seller's certificate. The 50 percent limitation requirement, however, must be met at the date of delivery of any mortgage pursuant to, or withdrawal of any mortgage from, a commitment contract. If, within the commitment period, seller does not take the action designated in either paragraph (a) or (b) of this section with respect to any of the mortgages listed in the commitment contract, the commitment deposits applicable thereto will be forfeited.

§ 50.8 *Servicing.* As compensation for the performance of its servicing duties, seller may retain from collections an amount equal to one-half of one percent per annum computed on the unpaid principal balance of the mortgage, and also the full amount of any late charges paid by the mortgagor. Seller must agree to service all mortgages purchased from it, but it will not be required to bear any part of foreclosure expenses.

§ 50.9 *Agents of the Association.* Eligible mortgages should be tendered for purchase to the agent of FNMA in the regional office of RFC serving the territory where the mortgaged premises are located. (However, an eligible seller whose principal office is in the same city and State as an RFC loan agency office may tender to the agent of FNMA at that office any mortgages that are secured by mortgaged premises situated in that State—even though the mortgaged premises are located in a section of the State that is part of the territory of another RFC loan agency.)

SUBPART B—FHA INSURED MORTGAGES GENERAL

§ 50.50 *Introduction.* (a) Pursuant to Public Law 804, 80th Congress, approved July 1, 1948, and Public Law 901, 80th Congress, approved August 10, 1948, Federal National Mortgage Association will purchase mortgages which become fully insured after April 30, 1948 under sections 203, 207, 603, 608, and section 603 or section 608 pursuant to section 610, of the National Housing Act, as amended (hereinafter called the "NH Act"). Sec. 301 (a) (1) of the NH Act provides that:

(A) No mortgage shall be offered to the Association for purchase by, or if it covers property held by, Federal, State, or municipal instrumentalities;

(B) No mortgage may be purchased for an amount exceeding the unpaid principal balance thereof, plus accrued interest, at the time of purchase;

(C) No mortgage shall be offered to the Association for purchase if the original principal obligation of the loan exceeds or exceeds \$10,000 for each family residence or dwelling unit covered by the mortgage or other lien securing the loan;

(D) No mortgage shall be offered to the Association for purchase unless offered by the original mortgagee prior to any other sale thereof;

(E) No mortgage shall be offered to the Association for purchase by any one mortgagee (1) unless such mortgage is secured by property used, or designed to be used, for residential purposes and (2) if the unpaid principal balance thereof, when added to the aggregate amount paid for all mortgages purchased by the Association from such mortgagee pursuant to authority contained herein, exceeds 50 per centum of the original principal amount of all mortgages made by such mortgagee which, except for this subparagraph (E), meet the requirements of this section.

(F) No mortgage shall be purchased by the Association unless the mortgagee certifies that the housing with respect to which the mortgage was made meets the construction standards prescribed for insurance of mortgages on the same class of housing under the National Housing Act, as amended.

(b) The Association is not authorized to make loans of any type, or to purchase mortgages insured under Title I of the NH Act.

(c) The Association is not authorized to purchase loans insured under section 603 of the NH Act. Such loans may not be included in the base amount of mortgage loans from which to determine the maximum dollar amount of eligible mortgages that any one seller may offer to the Association for purchase.

(d) The Association will not purchase mortgages insured under section 611 of the NH Act, but such mortgages may be included in the base amount of mortgage loans from which to determine the maximum dollar amount of eligible mortgages that any one seller may offer to the Association for purchase.

§ 50.51 *Seller's certificate.* The form of Seller's Certificate (Form FNMA 39) enumerates in substance the provisions of the NH Act affecting sales of mortgages to the Association and provides for a computation by which a seller may readily determine compliance with subparagraph (E), of the Act quoted in § 50.50 (a). A seller will be required to execute and deliver such certificate at the date of delivery of mortgages tendered to the Association for purchase. (The same form of certificate will be used for both FHA insured mortgages and VA guaranteed mortgages.) FHA insured mortgages and VA guaranteed mortgages, or any combination thereof, which meet the requirements of paragraphs (1), (2) (3) (4) (a) and (6) of the certificate may be included in item D of the computation. Documents and evidence required by the Association in addition to a seller's certificate are enumerated and described in (a) Purchasing and Servicing Agreement (Form FNMA 1) with respect to mortgages insured under section 203 or section 603 (hereinafter called FHA sec. 203 or sec. 603 mortgages) of the NH Act, and in (b) Commitment Contract (Form

FNMA 3a) with respect to mortgages insured under section 207 or section 608 (hereinafter called FHA sec. 207 or sec. 608 mortgages) of the NH Act.

MORTGAGES ISSUED UNDER SEC. 203 OR SEC. 603 OF THE NATIONAL HOUSING ACT

§ 50.55' *General.* An FHA approved mortgagee (which term does not include a loan correspondent of an approved mortgagee) that has executed a purchasing and servicing agreement with the Association and a short Supplemental Agreement (Form FNMA 38) may offer existing eligible FHA sec. 203 or sec. 603 mortgages for immediate purchase pursuant to a purchase contract (Form FNMA 2), or may request the Association to enter into a commitment contract (Form FNMA 3) to purchase any such mortgage to be offered when the improvements to be located on the mortgaged property are completed and the mortgage is insured. FHA sec. 203 or sec. 603 mortgages included in a purchase contract must have been initially insured within one year of the date the mortgages are delivered to the Association. The commitment period under a commitment contract covering FHA sec. 203 or sec. 603 mortgages will be one year. The Association will not make commitments to purchase, at a future date, FHA sec. 203 or sec. 603 mortgages which are in existence and insured by FHA.

§ 50.56 *Commitment to purchase.* A seller that desires to obtain a commitment from the Association to purchase one or more FHA sec. 203 or sec. 603 mortgages will be required to make a commitment deposit in an amount equal to one per cent of the original principal amount of each mortgage included in a commitment contract. The Association will charge commitment fees with respect to FHA sec. 203 or sec. 603 mortgages (to be retained from the commitment deposit applicable to each mortgage and any balance to be refunded to the seller) as follows:

(a) One-half of the commitment deposit upon delivery within the commitment period of an eligible mortgage accompanied by seller's Certificate (Form FNMA 39) and other documents and evidence enumerated in the Purchasing and Servicing Agreement (Form FNMA 1) or

(b) One-fourth of the commitment deposit upon the written request of seller within the commitment period to withdraw the mortgage from the commitment, accompanied by a statement (1) that the improvements on the mortgaged premises are ready for occupancy and (2) that the mortgage in all respects is eligible to be purchased by the Association, or

(c) The full amount of the commitment deposit if, at the expiration of the commitment period, the seller has not acted in accordance with paragraph (a) or (b) of this section.

A commitment contract with respect to FHA sec. 203 or sec. 603 mortgages will provide that neither the commitment deposit nor the commitment fee paid by a seller shall be charged to or collected from the mortgagor or the purchaser of

the mortgaged premises, either directly or indirectly.

§ 50.57 *Purchase contract.* No charge will be made by the Association in connection with the execution of a purchase contract covering FHA sec. 203 or sec. 603 mortgages. The Association will not execute a purchase contract covering any mortgage previously included in a commitment contract.

§ 50.58 *Foreclosure expenses.* A seller must agree to service all FHA sec. 203 or sec. 603 mortgages purchased from it, but will not be required to bear any part of foreclosure expenses. As compensation for the performance of its servicing duties, a seller may retain from collections an amount equal to one-half of one percent per annum, computed on the unpaid principal balance of the mortgage, and any late charges paid by the mortgagor.

MORTGAGES ISSUED UNDER SEC. 207 OR SEC. 608 OF THE NATIONAL HOUSING ACT

§ 50.65 *General.* The Association will issue commitments to FHA approved mortgagees to purchase, upon completion of construction of the housing project, FHA sec. 207 or sec. 608 mortgages. Any such commitment, except in the case of an FHA sec. 608 mortgage insured pursuant to the provisions of section 610 of the NH Act, must be obtained prior to the beginning of construction. Commitments to purchase FHA sec. 608 mortgages to be insured pursuant to section 610 of the NH Act will be issued by the Association after the issuance of the FHA commitment but prior to the insurance of the mortgage. The commitment period will be the time between the date the Association executes the commitment contract and the latest date on which amortization payments may commence. The Association will not purchase FHA sec. 207 or sec. 608 mortgages except pursuant to commitment contracts as outlined in this section. All FHA sec. 207 and sec. 608 mortgages purchased by the Association will be serviced by it.

§ 50.66 *Commitment to purchase.* An FHA approved mortgagee that desires to obtain a commitment from the Association to purchase an FHA sec. 207 or sec. 608 mortgage will be required to show that the mortgage can not be marketed elsewhere at par. Such showing shall consist of a signed statement of a duly authorized officer or representative of the seller outlining the efforts made and the substance of the replies received in attempting to obtain a commitment for the purchase of the mortgage at par from at least three private lending institutions normally engaged in the purchase of such mortgages.

§ 50.67 *Deposit required when filing application for a commitment to purchase mortgage.* Concurrently with the filing with the Association of an application for a commitment to purchase an FHA sec. 207 or sec. 608 mortgage the seller must deposit with the Association an amount equal to one-half of one percent of the original principal amount of the mortgage as a commitment deposit. The Association will charge, with respect

to each FHA sec. 207 or sec. 608 mortgage, a commitment fee (to be retained from the commitment deposit and any balance to be refunded to the seller) as follows:

(a) The full amount of the commitment deposit if, within the commitment period, the mortgage is delivered to the Association for purchase and the mortgage is in all respects eligible for purchase by the Association; or

(b) One-half of the commitment deposit upon the written request of seller within the commitment period to withdraw the mortgage from the commitment, accompanied by a statement (1) that the improvements on the mortgaged premises are ready for occupancy and (2) that the mortgage in all respects is eligible to be purchased by the Association; or

(c) The full amount of the commitment deposit if, at the expiration of the commitment period, the seller has not acted in accordance with either paragraph (a) or (b) of this section.

REQUIREMENTS APPLICABLE TO ELIGIBLE MORTGAGES

§ 50.75 *Commitment deposit refund.* Provision for a refund of a portion of the commitment deposit, under the circumstances related in §§ 50.56 (b) and 50.67 (b), is designed to encourage sellers, within the commitment period, either to retain the mortgages or to dispose of them elsewhere. If, within the commitment period, a seller does not take the action designated in either § 50.56 (a) or (b) or § 50.67 (a) or (b), with respect to any or all of the mortgages listed in the commitment contract, the commitment deposit applicable to such mortgage or mortgages will be forfeited.

§ 50.76 *Fifty percent requirement.* At the date of execution of a commitment contract the Association will not inquire whether any or all of the mortgages listed therein will be eligible for purchase under the 50 per cent limitation set out in the statute and in the form of seller's certificate. The 50 per cent limitation requirement, however, must be met at the date of delivery of any mortgage pursuant to, or withdrawal of any mortgage from, a commitment contract.

§ 50.77 *When family residence is security for both first and second mortgage.* In instances in which a family residence or dwelling unit is security for both a first mortgage insured by FHA and a second mortgage guaranteed by VA, the Association will not purchase the second mortgage unless the first mortgage also is tendered for purchase or is already owned by the Association.

§ 50.78 *Price paid for eligible mortgages.* The price to be paid for eligible mortgages will be an amount equal to the unpaid principal balance thereof, plus accrued and unpaid interest, at the date of purchase. Mortgages offered to the Association for purchase must bear interest at a rate of not less than 4% per annum.

§ 50.79 *Mortgages purchased through agents of the Association.* Mortgages will be purchased through agents of the

Association located in the regional offices of R.F.C. All necessary forms and instructions for the tender of mortgages may be obtained from the agent serving the territory in which the mortgaged property is located.

M. W. KNARR,
Assistant Secretary.

[F. R. Doc. 48-11187; Filed, Dec. 22, 1948;
8:53 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 5555]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

LAURIE AND COMPANY, INC.

§ 3.99 (a) *Using or selling lottery devices—Devices for lottery selling:* § 3.99 (b) *Using or selling lottery devices—In merchandising.* I. Selling or distributing in commerce, push cards, punch boards, or other lottery devices, which are to be used or may be used in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise or lottery scheme; and, II, in connection with the offering for sale, sale or distribution in commerce, of knives, watches, or any other articles of merchandise, (1) supplying to or placing in the hands of others push cards, punch boards, or other lottery devices, either with assortments of knives, watches or other merchandise or separately, which said push cards or punch boards are to be used, or may be used, in selling or distributing such knives, watches or other merchandise to the public; (2) selling or distributing knives, watches or other merchandise so packed or assembled that sales of such knives, watches or other merchandise to the public are to be made or, due to the manner in which such merchandise is packed and assembled at the time it is sold by the respondent, may be made by means of a game of chance, gift enterprise, or lottery scheme; or, (3) selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., sec. 45b) [Cease and desist order, Laurie and Company, Inc., Docket 5555, November 19, 1948]

At a regular session of the Federal Trade Commission held at its office in the city of Washington, D. C., on the 19th day of November A. D. 1948.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of the respondent, in which answer said respondent admitted all of the material allegations of fact set forth in said complaint and stated that it waived all intervening procedure and further hearing as to said facts; and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, Laurie and Company, Inc., a corporation,

and its officers, agents, representatives and employees, do forthwith cease and desist from selling or distributing in commerce, as "commerce" is defined in the Federal Trade Commission Act, push cards, punch boards, or other lottery devices, which are to be used or may be used in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise or lottery scheme.

It is further ordered, That said respondent and its officers, agents, representatives and employees, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of knives, watches, or any other article of merchandise, do forthwith cease and desist from:

1. Supplying to or placing in the hands of others push cards, punch boards, or other lottery devices, either with assortments of knives, watches or other merchandise or separately, which said push cards or punch boards are to be used, or may be used, in selling or distributing such knives, watches or other merchandise to the public.

2. Selling or distributing knives, watches or other merchandise so packed or assembled that sales of such knives, watches or other merchandise to the public are to be made or, due to the manner in which such merchandise is packed and assembled at the time it is sold by the respondent, may be made by means of a game of chance, gift enterprise, or lottery scheme.

3. Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 48-11183; Filed, Dec. 22, 1948;
8:49 a. m.]

TITLE 18—CONSERVATION OF POWER

Chapter I—Federal Power Commission

Subchapter A—General Rules

[Order 147]

PART 01—ORGANIZATION

PART 02—COURSE AND METHOD OF OPERATION

PART 03—SUBSTANTIVE RULES, GENERAL POLICY AND INTERPRETATIONS

APPROVING AND MAKING EFFECTIVE EDITORIAL CHANGES INVOLVING DISCONTINUANCE OF CODIFICATION AND REDESIGNATION OF CER- TAIN PARTS AND SECTIONS

DECEMBER 14, 1948.

Executive Order 9930 (13 F. R. 519) authorizes and directs the preparation and publication of the 1949 Edition of

the Code of Federal Regulations as it is in force and effect on December 31, 1948. In connection with the preparation of the 1949 edition of the Code of Federal Regulations, the revised rules and regulations of the Federal Register (13 F. R. 5929-5936) require that certain editorial changes be made involving the discontinuance of codification and redesignation of certain parts and sections of Chapter I, Subchapter A, Title 18, of the Code.

The Commission further finds:

(1) It is appropriate that the editorial changes set forth in the attached notice of discontinuance of codification and redesignation of certain parts and sections of Chapter I, Subchapter A, Title 18 of the Code of Federal Regulations be approved and made for said purposes, effective December 31, 1948.

(2) Notice and public procedure hereon are unnecessary.

The Commission orders:

(A) Pursuant to the authority vested in the Commission by the Federal Power Act (49 Stat. 838; 16 U. S. C. 791a) particularly section 309 thereof, and the Natural Gas Act (52 Stat. 833; 15 U. S. C. 717) particularly section 16 thereof, the Commission hereby approves and adopts the editorial changes set forth in the attached notice of discontinuance of codification and redesignation of certain parts and sections of Chapter I, Subchapter A, Title 18 of the Code of Federal Regulations, effective December 31, 1948.

(B) The Secretary of the Commission shall cause prompt publication of the attached notice to be made in the FEDERAL REGISTER.

Pursuant to Executive Order 9930 of February 4, 1948 (13 F. R. 519) authorizing and directing the publication of the Code of Federal Regulations, 1949 Edition, and in order to conform with the scope and style prescribed by Chapter I, Title 1 of the Code of Federal Regulations, as revised October 12, 1948 (13 F. R. 5929-5936) the following changes in Title 18 of the Code of Federal Regulations are hereby approved and made effective December 31, 1948:

1. The codification of the following parts and sections of Chapter I, Subchapter A is discontinued:

Part 01—Organization.

Part 02—Course and Method of Operation.

Part 03—§ 03.1 Regulations under the Federal Power Act.

§ 03.2 Uniform system of accounts.

§ 03.3 Approved forms.

§ 03.51 Regulations under the Natural Gas Act.

§ 03.52 Uniform system of accounts.

§ 03.53 Approved forms.

2. The remainder of Part 03 is redesignated as Part 2, and the heading thereof is amended to read, "General Policy and Interpretations"

3. The remaining sections of Part 03 are redesignated as follows:

§ 03.0 Introduction as § 2.1.

§ 03.26 Transmission lines as § 2.2.

§ 03.27 Jurisdictional status as § 2.3.

§ 03.28 Suspension of rate schedules as § 2.4.

§ 03.76 Jurisdictional status as § 2.51.

§ 03.77 Suspension of rate schedules as § 2.52.

RULES AND REGULATIONS

§ 03.78 Certificate applications as § 2.53.
 § 03.79 Jurisdictional status of independent producers and gatherers as § 2.54.

4. The centerheading "Substantive Rules Under the Federal Power Act" is deleted.

5. The centerheading "Statements of General Policy and Interpretations Under the Federal Power Act" will precede the newly designated § 2.2.

6. The centerheading "Substantive Rules Under the Natural Gas Act" is deleted.

7. The centerheading "Statements of General Policy and Interpretations Under the Natural Gas Act" will precede the newly designated § 2.51.

In the future, amendments to the statements describing organization and course and method of operation contained in Parts 01 and 02, and to the statements of substantive rules in the above enumerated sections of Part 03 (paragraph 1) as to which codification is hereby discontinued will be published in the Notices section of the FEDERAL REGISTER.

Date of issuance: December 17, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-11174; Filed, Dec. 22, 1948;
 8:45 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 52113]

PART 23—ENFORCEMENT OF CUSTOMS AND NAVIGATION LAWS

FORFEITURE; NOTICE OF SEIZURE AND SALE

Section 23.16 (a) Customs Regulations of 1943 (19 CFR, Cum. Supp., 23.16 (a)) is hereby amended to read as follows:

(a) The notice required by section 607, Tariff Act of 1930, as amended," of seizure and intention to forfeit and sell or otherwise dispose of according to law property not exceeding \$1,000 in value shall (1) describe the property seized; (2) state the time, cause, and place of seizure; and (3) state that any person desiring to claim the property must appear at a designated place and file with the collector within 20 days from the date of the first publication of the notice a claim to such property and a bond in the sum of \$250, in default of which the property will be disposed of in accordance with the law. When the appraised value of the property involved in one seizure from one person exceeds \$100, the notice shall be published in a newspaper of general circulation in the customs collection district and the judicial district in which the property was seized. When the appraised value does not exceed \$100, the notice shall be published by posting in a conspicuous place accessible to the public in the customhouse nearest the place of seizure and in the customhouse at the headquarters port for the customs collection district, with the date of posting noted thereon,

and shall be kept posted for at least 3 successive weeks.

(Sec. 607, 46 Stat. 754, sec. 28 (a) 52 Stat. 1089, sec. 624, 46 Stat. 759; 19 U. S. C. 1607, 1624.)

[SEAL] FRANK DOW,
Acting Commissioner of Customs.

Approved: December 16, 1948.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 48-11184; Filed, Dec. 22, 1948;
 8:51 a. m.]

TITLE 22—FOREIGN RELATIONS

Chapter III—Economic Cooperation Administration

[ECA Reg. 4, Amdt. 2]

PART 1114—GUARANTIES UNDER THE ECONOMIC COOPERATION ACT OF 1948

DESIGNATION OF EXPORT-IMPORT BANK OF WASHINGTON AS AGENT FOR THE ADMINISTRATOR

Preamble. In furtherance of the purposes of the Economic Cooperation Act of 1948, § 1114.3 of ECA Reg. 4 is hereby amended to read as follows:

§ 1114.3 *Designation of Export-Import Bank of Washington as agent for the Administrator.* By virtue of the powers vested in me under the Economic Cooperation Act of 1948, and with the consent of the Board of Directors of Export-Import Bank of Washington, I hereby designate Export-Import Bank of Washington, as agent for the Administrator and as authorized and upon the terms specified by the Administrator, to issue in its name and administer the guaranties made under section 111 (b) (3) of the Economic Cooperation Act of 1948, other than guaranties of investments in enterprises producing or distributing informational media. No amendment other than above expressly stated is hereby made in ECA Regulation 4. Accordingly applications for guaranties should continue to be made in writing to the Administrator for Economic Cooperation, Washington 25, D. C. (Sec. 111 (b) (3) Pub. Law 472, 80th Cong.)

HOWARD BRUCE,
*Acting Administrator
 for Economic Cooperation.*

[F. R. Doc. 48-11176; Filed, Dec. 22, 1948;
 8:46 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

REDESIGNATION OF TITLE AND REASSIGNMENT AND RENUMBERING OF CHAPTERS AND PARTS

EDITORIAL NOTE: In order to conform Title 24 to the scope and style of the Code of Federal Regulations, 1949 Edition, as prescribed by the regulations of the Administrative Committee of the Federal Register and approved by the President October 12, 1948 (13 F. R. 5929) the following changes are made effective upon their publication in the FEDERAL REGISTER:

1. Title 24 is redesignated "Housing and Housing Credit."

2. Chapter VII—Housing and Home Finance Agency is redesignated Subtitle A—Office of the Administrator, Housing and Home Finance Agency. A document revising Subtitle A is published below in this issue.

3. Chapters I-IV are consolidated into a new Chapter I—Home Loan Bank Board, Housing and Home Finance Agency. A document revising portions of this material and reorganizing and renumbering the remainder is published below in this issue.

4. Chapter V is redesignated Chapter II—Federal Housing Administration, Housing and Home Finance Agency, and Parts 500-590 are renumbered Parts 200-290. Amendments to former Parts 521 and 576 are published below in this issue.

5. Chapter VI is redesignated Chapter III—Public Housing Administration, Housing and Home Finance Agency, and Parts 600-672 are renumbered Parts 300-372.

As so redesignated and renumbered, the structure of the title, and the assignment of chapter and part numbers (including part numbers not currently occupied) is indicated in the following outline:

Title 24—Housing and Housing Credit
 Subtitle A—Office of the Administrator, Housing and Home Finance Agency (Parts 1-99)

Subtitle B—Regulations Relating to Housing and Housing Credit

Chapter I—Home Loan Bank Board, Housing and Home Finance Agency (Parts 100-199)

Chapter II—Federal Housing Administration, Housing and Home Finance Agency (Parts 200-299)

Chapter III—Public Housing Administration, Housing and Home Finance Agency (Parts 300-399)

Subtitle C—Regulations Relating to Housing Construction and Rent Control

Chapter VIII—Office of Housing Expediter (Parts 800-899)

Subtitle A—Office of the Administrator, Housing and Home Finance Agency

REVISION OF SUBTITLE

Subtitle A of Title 24 (formerly Chapter VII of that title) is amended in the following respects:

1. Codification of former Part 751—Organization Description Including Delegations of Final Authority, is discontinued. Future amendments to these provisions will be published in the Notices section of the FEDERAL REGISTER.

Former § 751.9 (12 F. R. 2558, 3243) is hereby revoked. Former §§ 751.11, 751.13, 751.19, 751.35, 751.36, 751.37, and 751.39 are hereby superseded by the following section:

SECTION 1. *To the Public Housing Commissioner* (a) The Public Housing

Commissioner is hereby authorized, subject to my supervision, to execute the powers and functions vested in me under the provisions of Public Laws 781 and 849 (76th Congress) and 9, 73, and 353 (77th Congress) as amended, including the power to make findings and determinations thereunder, except the power to make transfers to the War and Navy Departments under section 4 of Public Law 849, as amended, and to make findings, under section 313 thereof, that housing of a temporary character is still needed. The said Commissioner is further authorized, with respect to such powers and functions otherwise vested in him by or pursuant to law, to execute the powers and functions vested in me pursuant to the provisions of the First War Powers Act, 1941, the Act of August 7, 1946 (Public Law 657, 79th Congress), the Contract Settlement Act of 1944, and the Surplus Property Act of 1944, as amended, including the power to make findings, determinations, and settlements thereunder.

(b) The Public Housing Commissioner is hereby authorized to redelegate the authority delegated to him pursuant to paragraph (a) of this section to such officers and employees of the Public Housing Administration as he may select.

(c) Any instruments executed by the Public Housing Commissioner, or by any officer or employee to whom the authority has been redelegated, purporting to relinquish or transfer any rights, title, or interest in or to real or personal property under the authority of this section shall be conclusive evidence of the authority of such Commissioner, officer, or employee to act for the Housing and Home Finance Administrator in executing such instruments.

Nothing herein shall be construed to affect or impair any contract, remedy, right, or obligation which has accrued or will accrue by virtue of or pursuant to action previously taken under any regulation, order, operating instruction, or manual issuance in effect prior to the effective date of this revocation.

2. Sections 703.51 to 703.66, inclusive (12 F. R. 5750, as amended by 12 F. R. 8867, 13 F. R. 1375, and 13 F. R. 4351) are hereby redesignated and amended¹ to read as follows:

PART 1—DISPOSITION OF FEDERALLY OWNED WAR HOUSING

- Sec.
- 1.1 Purpose.
- 1.2 Responsibilities with respect to disposition.
- 1.3 Consultation with local governments.
- 1.4 General policies.
- 1.5 Preferred purchasers; general.
- 1.6 Preferred purchasers; order of preference.
- 1.7 Preferred purchasers; sales procedure.
- 1.8 Sales to non-preferred purchasers.
- 1.9 Conditions of sale.
- 1.10 Demountable housing.
- 1.11 Disposition of non-dwelling structures.
- 1.12 Vacant land.
- 1.13 Minority racial groups.
- 1.14 Exceptions.
- 1.15 Definitions.
- 1.16 Savings clause.

¹The amendments are contained in §§ 1.4 (f), 1.12, and 1.15.

AUTHORITY: §§ 1.1 to 1.16 issued under 54 Stat. 872, 883, as amended, 54 Stat. 1125, as amended, 55 Stat. 14, 55 Stat. 107, 103, 55 Stat. 810, 818, 59 Stat. 613; 42 U. S. C., Sup., 1521, 5 U. S. C., Sup., 133y; Reorganization Plan No. 3 of 1947, 12 F. R. 4381.

NOTE: §§ 1.1 to 1.16 are a revision of and supersede §§ 703.24 and 703.25 and the other portions of §§ 703.20 to 703.31 (NHA Regulation No. 60-13B, 11 F. R. 117), insofar as they relate to permanent war housing.

§ 1.1 Purpose—(a) General. The regulations in this part provide for the disposition of permanent war housing acquired or constructed under the Lanham Act, as amended (54 Stat. 1125, as amended; 42 U. S. C. Sup. 1521) Public Law 781, 76th Congress, and Public Laws 9, 73, and 353, 77th Congress (Temporary Shelter Acts) (55 Stat. 14, 198, 818) except that it shall not apply to housing provided under the Homes Use Conversion Program.

(b) **Veterans' preference.** It is the purpose of this part to prescribe the conditions under which permanent war housing will be disposed of and particularly the preference to be given veterans and servicemen, and their families, in the disposition of such housing.

§ 1.2 Responsibilities with respect to disposition—(a) Termination. The Office of the Administrator shall determine when permanent projects or parts thereof are no longer needed in the interest of the orderly demobilization of the war effort and will then terminate such projects or parts thereof, thereby making them available for disposition.

(b) **Execution.** The Public Housing Administration shall be responsible for executing the disposition program, in accordance with applicable laws and the regulations in this part, and subject to the direction and supervision of the Administrator.

§ 1.3 Consultation with local governments—(a) General. Formal discussions with representatives of local governments regarding disposition problems shall be initiated sufficiently in advance of the disposition of projects in their localities so that local governmental agencies will have adequate prior opportunity to study such problems, reach agreements within the community, and prepare recommendations regarding disposition programs. Where more than one unit of local government is affected by the disposition, joint consultation shall be sought.

(b) **FHA participation.** The FHA State or District Office serving the locality shall be informed concerning disposition discussions and plans and shall be invited to participate in the discussions with the local governments with respect to the formulation of locality disposition programs.

(c) **Local recommendations.** The Public Housing Administration shall follow the recommendations of the representatives of the local government insofar as practicable, subject to the provisions of applicable law, the policies stated in this part, and considerations of an equitable return to the Government.

§ 1.4 General policies—(a) Termination. Permanent war housing projects or parts thereof shall be terminated as

rapidly as possible. No exceptions to termination shall be permitted to continue unless approved by the Administrator.

(b) **Timing and disposition.** All terminated permanent war housing shall be disposed of as rapidly as possible consistent with the public interest, the obtaining of an equitable return of the Government's investment, and with the other policies established by the regulations in this part.

(c) **Disposition for private residential purposes.** In accordance with the Lanham Act, as amended, permanent war housing shall (subject to the provisions of paragraphs (e) and (f) of this section) be sold for private residential purposes.

(d) **Subdivision of projects.** In order to encourage home ownership, and facilitate participation in the disposition program by small investors, projects being offered for sale shall be subdivided into the smallest feasible units of sale consistent with a practicable plan for their disposition.

(e) **Transfers to War or Navy Departments.** Under section 4 of the Lanham Act, as amended, the Administrator may, in his discretion, upon the request of the Secretaries of War or Navy transfer to the jurisdiction of the War or Navy Departments such war housing as may be considered to be permanently useful to the Army or Navy. Such transfers shall be made only (1) if the request therefor was made on or before July 1, 1947, and (2) if the project is situated within the proximate vicinity of a permanent Army or Navy establishment.

(f) **Local community requests for low rent use.** Section 4 of the Lanham Act, as amended, provides that housing projects constructed under that Act shall not, unless specifically authorized by the Congress, be conveyed to any public or private agency organized for slum clearance or to provide subsidized housing for persons of low income. Where the governing body of the community has requested, on or before July 1, 1947, that any such project be made available to the community for low rent housing purposes, the Public Housing Commissioner may temporarily reserve the project from other disposition. Such requests, together with the recommendation of the Public Housing Commissioner, shall be transmitted to the Administrator who will determine whether the projects shall be further reserved.

§ 1.5 Preferred purchasers; general. Whenever feasible, dwellings shall be offered for sale to persons who intend to occupy the dwellings (or to groups, including corporations, composed of such persons) with preference to veterans as hereinafter provided, prior to their being offered for sale to purchasers for investment purposes. Such persons intending to occupy the dwellings shall be treated as preferred purchasers under the regulations in this part. A person who desires to purchase a multi-family dwelling containing no more than 4 dwelling units and who intends to occupy one of the units shall be deemed to be a preferred purchaser. Preferred purchasers shall be given an opportunity to purchase the dwellings at fixed prices determined,

with the cooperation of the Federal Housing Administration, on competent appraisal on the basis of the long-term value of the dwelling (including the land, appurtenances, utilities and facilities allocated thereto), except that, whenever the preferred purchaser is a veteran buying a dwelling containing not more than 4 family dwelling units, the purchase price shall not exceed the apportioned cost of such dwelling and of the land and appurtenances allocated thereto, together with the apportioned share of the cost of all utilities and other facilities provided for and common to the project of which such dwelling is a part.

§ 1.6 Preferred purchasers; order of preference—(a) Preference classes. Preferred purchasers shall be classified in the following order of preference:

Class 1. A veteran who occupies a dwelling unit in the dwelling to be sold and intends to continue to occupy such unit.

Class 2. A veteran who intends to occupy a dwelling unit in the dwelling to be sold.

Class 3. A non-veteran who occupies a dwelling unit in the dwelling to be sold and intends to continue to occupy such dwelling unit.

The Public Housing Administration is further authorized, where it finds it is in the public interest to do so, to establish a **Class 4** preference group to consist of non-veterans intending to occupy dwelling units in the dwelling to be sold.

(b) **Sub-classes.** Where necessary to afford equitable treatment to tenants who are displaced from the dwellings they occupy as a result of the application of the provisions of paragraph (a) of this section, or where otherwise appropriate, the Public Housing Administration is authorized to establish special preference classifications within each preference class.

§ 1.7 Preferred purchasers; sales procedure—(a) General. Veterans and other occupants of each project shall be given as much advance informal notice as is feasible concerning the proposed method and the approximate date of disposition of the project. In general, sales procedures shall be designed, through public notice and such other procedures as the Public Housing Administration may find appropriate, to provide adequate opportunity to preferred purchasers to exercise their preference rights.

(b) **Separate sales of dwellings containing one to four family dwelling units.** Procedures covering the separate sale to preferred purchasers of dwellings which contain 1 to 4 dwelling units shall provide for time schedules in which preferred purchasers may register their intent to purchase, for appropriate deposit of earnest money, for selection of units, and for making of final commitments to purchase. Such procedures shall be established with a view to facilitating the disposition of war housing as rapidly as practicable, consistent with giving preferred purchasers an adequate opportunity to participate in the disposition program and consistent with the other policies provided for by the regulations

in this part. Toward this end, such procedures shall (1) provide a minimum period of not less than 30 days in which preferred purchasers in **Class 1** may exercise (through registration of intent to purchase or other appropriate means prescribed by the Public Housing Administration) their preference right; (2) provide a maximum period not exceeding 30 days in which preferred purchasers may exercise their preference rights; and (3) provide that preferred purchasers in any class shall continue to have preference over members in a class of lower preference status for any available dwelling units during the period or periods in which members of the classes of lower preference status shall have the right to exercise their preference rights.

(c) **Sale of multi-family dwellings containing five or more dwelling units, and group sale of dwellings.** (1) Where it is not feasible or consistent with a practicable plan of disposition, or with the effectuation of the purposes of the preference provisions of § 1.6 and this section, to subdivide a project for the separate sale to individuals of dwellings in the project, adequate opportunity may be given, as hereinafter provided, to groups of preferred purchasers to purchase a multi-family dwelling, a group of dwellings, or an entire project, consistent always with a practicable plan for disposition of the project.

(2) If within 30 days following the announcement of the prices of the multi-family dwelling, group of dwellings, or project being offered, a group composed of preferred purchasers in sufficient number to occupy a reasonable percentage of the dwelling units involved, submits a plan of purchase acceptable to the Public Housing Administration, which plan shall be accompanied by an earnest money deposit prescribed by the Public Housing Administration and provide a reasonable time schedule for the completion of the purchase in relation to the number of dwelling units involved (which time period shall in no event exceed six months following the end of the original 30 days offering period) the multi-family dwelling, group of dwellings, or project, as the case may be, shall be reserved from other disposition for the period covered by the time schedule in order to give the preference group an opportunity to complete the purchase. Such reservation shall be conditioned on the adherence to the time schedule accepted by the Public Housing Administration. The original reservation period may be extended only with the approval of the Administrator.

(d) **Competing preference purchasers in same preference class.** The Public Housing Administration shall provide an equitable method for selecting the purchasers, which shall be designed best to effectuate the order of preferences provided in § 1.6, to apply where preferred purchasers (or groups of preferred purchasers) in the same preference class or containing members in the same preference class compete with each other.

§ 1.8 Sales to non-preferred purchasers. Sales to other than preferred purchasers shall be on a competitive basis after adequate public advertisement.

§ 1.9 Conditions of sale. Agreements to sell housing to private purchasers shall provide that the following policies be effectuated:

(a) **Terms.** All sales shall be for cash, with such financing as may be required to be secured in the private financing market under the provisions of section 610 of the National Housing Act (Public Law 366, 80th Congress) or otherwise.

(b) **Eviction of existing occupants.** The right of the purchaser to evict an existing occupant shall be subject only to applicable Federal, State, and local laws, except that for a period of one year from the date of the sale no such occupant shall be evicted without having first been given 90 days' written notice to vacate. However, such notice is not required in cases of evictions where the tenant is committing a nuisance or otherwise violating an obligation of his tenancy.

(c) **Rents.** Rents shall be subject to control only under applicable Federal, State, or local laws.

(d) **Prices in case of resale.** For a period of one year after the date of original sale, no housing sold to preferred purchasers pursuant to the regulations in this part, may be resold for an amount in excess of the original sales price plus the actual costs of any improvements made, the amount of any normal and customary brokerage fees or commissions actually paid in connection with the sale being made, and the costs of transfer paid by the seller.

(e) **Veterans' preference in case of subsequent sale or rental.** Until January 1, 1951, first preference in resale, rental or subrental of dwelling units shall be given to veterans (except that the resale preference shall not apply where 5 or more dwelling units previously purchased by a non-priority purchaser under this regulation are being resold to one individual, association, partnership or corporation for other than occupancy by the purchaser). Such preference shall be deemed to be complied with only if the unit being sold or becoming available for rental is publicly offered in good faith for sale or rent to veterans for a period of at least 30 days at a sale or rental no higher than that at which it is later offered (or for which it is later sold or rented) to other than a veteran.

§ 1.10 Demountable housing—(a) On-site sales. When sold for on-site use, demountable dwelling structures shall be disposed of in the same manner as other housing to which the regulations in this part apply.

(b) **Off-site sales.** Demountable structures to be sold for off-site use shall be transferred or sold to meet veterans' needs with the following order of preferences to purchasers: (1) Federal agencies, local public bodies, or educational institutions, (2) individual veterans, and (3) others who will purchase the housing in marketable quantities and remove and sell or rent the housing to veterans. When it deems such action to be in the public interest, the Public Housing Administration may alter the foregoing order of preference for the purpose of giving a first preference to individual veterans. The agreement of transfer or sale shall provide that transferees, pur-

chasers, and subsequent owners shall give first preference to veterans in the sale or rental of the dwellings until January 1, 1951, and shall abide by appropriate restrictions concerning resale prices, rents, and use of the dwellings.

§ 1.11 *Disposition of non-dwelling structures.* Non-dwelling structures located in projects containing permanent housing may be sold with the dwelling units or separate from the dwelling units dependent upon the effect of the sale of the non-dwelling buildings on the dwellings and the best financial interest of the Government.

§ 1.12 *Vacant land.* Any vacant land (including land improved only with minor structures) held in fee which is no longer needed shall be disposed of as expeditiously as possible. The Public Housing Administration shall make such inquiry among other Federal agencies as it deems appropriate under the circumstances concerning their need for such land, and a first preference in its disposition may be given to such agencies. Vacant land which is disposed of other than by transfer to Federal agencies shall be sold through competitive bidding after public advertisement: *Provided*, That if a State or local governmental agency requests that the land be sold or transferred to it, such sale or transfer may be made without public advertisement or competitive bidding, but (except where sales at a lesser consideration or transfers with reimbursement are expressly authorized by statute) shall be made at a consideration equal to the full market value of the land as determined by the Public Housing Administration: *And provided further* That where vacant lots deemed by the Public Housing Administration to be suitable for development for residential purposes are being disposed of in connection with, or as the result of, the disposition of a permanent war housing project which was subdivided for purposes of sale, such lots need not be sold through competitive bidding but may be offered for sale to veterans at prices established by the Public Housing Administration on the basis of the long-term value of the land.

§ 1.13 *Minority racial groups.* No provision contained in the regulations in this part shall be construed or administered to require the sale or disposition of any housing occupied or assigned for occupancy by members of any minority racial group, in such a manner that such housing would not continue to be available for occupancy by members of such minority group.

§ 1.14 *Exceptions—(a) Prior commitments.* In any case where, prior to the effective date of the regulations in this part the Public Housing Administration has entered into negotiations for the disposal of permanent war housing, and such negotiations may have resulted in a commitment to dispose of housing in a manner other than provided in the regulations in this part, such case shall be presented to the Administrator for determination whether there exists a commitment which would exempt the trans-

action from the provisions of the regulations in this part.

(b) *Foreclosure sales.* Nothing contained in the regulations in this part shall be construed as applying to or limiting any foreclosure sale made pursuant to the terms of a mortgage or deed of trust given by a purchaser of property to secure a bona fide indebtedness of said purchaser.

(c) *Waivers.* In any case where the Public Housing Administration believes that compliance with any provisions of the regulations in this part would result in an exceptional and unreasonable hardship to any person or would be contrary to the public interest, the facts concerning such case shall be presented to the Administrator for determination as to whether such provisions should be modified or waived. Any instrument of conveyance by the Administrator (or a person authorized by him) stating that it is executed under the regulations in this part shall be conclusive evidence of compliance therewith insofar as any title or other interest in the property is concerned.

§ 1.15 *Definitions—(a) Permanent war housing.* As used in the regulations in this part, the term "permanent war housing" shall include (1) all housing acquired or constructed under the Lanham Act and Public Law 781, 76th Congress, except housing determined to be of a temporary character pursuant to section 313 of the Lanham Act, and housing converted by the Home Owners' Loan Corporation and the Federal Public Housing Authority under the Homes Use Conversion Program whereby structures were leased by the United States during the war and converted to provide additional dwelling units, and (2) such housing acquired or constructed under Public Laws 9, 73, and 353, 77th Congress, as is not declared to be of a temporary character pursuant to said section 313 of the Lanham Act.

(b) *Veteran.* As used in the regulations in this part, the term "veteran" shall include (1) a person (or his family) who has served in the military or naval forces of the United States for any period of time on or after September 16, 1940, and prior to July 26, 1947, and who has been discharged or released therefrom under conditions other than dishonorable, (2) a person (or his family) serving in the active military or naval forces of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947, and (3) the family of a person who served in the military or naval forces of the United States on or after September 16, 1940, and prior to July 26, 1947, and who died in service: *Provided*, That no right which was vested under the regulations in this part prior to December 23, 1948, shall be affected by reason of the change in the definition of the term "veteran" effective on that date, and applications made prior to December 23, 1948, for any right or privilege under the regulations in this part may be processed without regard to such change.

§ 1.16 *Savings clause.* Nothing in the regulations in this part shall be con-

strued to affect or impair any contract, remedy, right, or obligation which has accrued or will accrue by virtue of or pursuant to action previously taken under any regulation, order, operating instruction, or manual issuance in effect prior to December 23, 1948.

All sections other than §§ 703.51 to 703.66, inclusive, now redesignated §§ 1.1 to 1.16 inclusive, formerly published under Part 703 are hereby revoked. The sections revoked by this document include miscellaneous regulations dealing with Federally-owned war and veterans' housing which will hereafter be covered by Subtitle B, Chapter III, of this Title, and certain regulations, now obsolete, dealing with war and veterans' housing programs which have been completed.

Nothing herein shall be construed to affect or impair any contract, remedy, right, or obligation which has accrued or will accrue by virtue of or pursuant to action previously taken under any regulation, order, operating instruction, or manual issuance in effect prior to the effective date of this revocation.

Issued this 23d day of December 1948.

RAYMOND M. FOLEY,
Administrator.

[F. R. Doc. 48-11233; Filed, Dec. 22, 1948; 10:04 a. m.]

Chapter I—Home Loan Bank Board, Housing and Home Finance Agency

Subchapter A—General Regulations of the Home Loan Bank Board

Subchapter B—Federal Home Loan Bank System [No. 1235]

AMENDMENT AND REDESIGNATION OF RULES AND REGULATIONS RELATING TO OPERATIONS

DECEMBER 17, 1948.

Resolved that §§ 2.5b, (3) and (4) 4.3, 6.1a, 7.3, 7.4, 8.3, 8.4, and 8.5 of the rules and regulations for the Federal Home Loan Bank System (24 CFR 2.5b, (3) and (4) 4.3, 6.1a, 7.3, 7.4, 8.3, 8.4, and 8.5) are hereby amended, effective January 1, 1949, and, in conformance with 1 CFR 2.4, are hereby redesignated for publication in Subchapter A, General Regulations of the Home Loan Bank Board, of Chapter I, Home Loan Bank Board, Housing and Home Finance Agency, of Subtitle B, Regulations Relating to Housing Credit, of Title 24, Housing and Housing Credit, of the Code of Federal Regulations, 1949 edition, as:

PART 100—FUNCTIONAL ORGANIZATION AND AUTHORITY

§ 100.10 *Assessments.* Each semi-annual assessment under the provisions of subsection (b) of section 18 of the Federal Home Loan Bank Act, as amended, to meet the estimated expenses of the Home Loan Bank Board shall be made on the following basis: Each Federal Home Loan Bank will be assessed such amount as may be necessary to meet the Board's expenses such assessment to be upon the several Banks in the same proportion as the total gross operating income of the respective Banks for the six months' period next preceding, herein-

after prescribed, bears to the total gross operating income of all the Banks for the same period of time. For the assessment for the first half of a calendar year, total gross operating income shall be determined from information contained in the reports of the respective Banks for each month during the period from June 1 through November 30, and for the assessment for the last half of a calendar year such determination shall be made from information contained in the reports of the respective Banks for each month during the period from December 1 through May 31.

PART 101—OPERATIONS

§ 101.10 *Officers as agents.* For the following purposes, officers and employees of a Federal Home Loan Bank when designated by the Board, shall be the agents of the Board and the Federal Savings and Loan Insurance Corporation and the counsel of the Bank shall render to said agents such legal services as may be necessary to enable them properly to carry out such duties:

It shall be the specific duty of said agents to give consideration to applications pertaining to organization of Federal savings and loan associations, conversions, and insurance of accounts by the Federal Savings and Loan Insurance Corporation, together with such supplemental information as may be available to them, and promptly to make comments and recommendations upon such applications. Said agents shall transmit such applications to the Board, together with their comments and recommendations thereon. Such comments and recommendations shall be signed by the agents favoring same, and any agent disagreeing therewith shall make a separate report which shall be forwarded at the same time. An agent shall forward to applicants advices of actions taken by the Board and the Federal Savings and Loan Insurance Corporation upon applications, and instructions and other communications from the Board and the Federal Savings and Loan Insurance Corporation.

§ 101.11 *President as agent.* For the following purposes, the President of each Federal Home Loan Bank shall be the agent of the Board and the Federal Savings and Loan Insurance Corporation and the counsel of the Bank shall render to said agent such legal services as may be necessary to enable him properly to carry out such duties; *Provided, however,* When designated by the Board, some officer or employee of the Bank other than, or in addition to, the President, may act as agent of the Board and the Federal Savings and Loan Insurance Corporation: Said agent shall represent the Board and the Federal Savings and Loan Insurance Corporation in supervising Federal savings and loan associations and other institutions in the Bank's district which are insured by the Federal Savings and Loan Insurance Corporation. When, in his opinion, such action should be taken, he shall advise and endeavor to assist Federal savings and loan associations and other insured institutions in his Bank district to conduct their

operations in conformity with the statutes and the rules and regulations governing them. He shall confer and negotiate, pursuant to instructions from the Board and the Federal Savings and Loan Insurance Corporation, with applicants and with officers, directors, members or creditors of applicant institutions, individually or in group meetings, and otherwise as the Board and the Federal Savings and Loan Insurance Corporation may request in writing. He shall see that all Federal savings and loan associations and other insured institutions in his Bank district submit to him for his consideration such matters as applications for Board approval of amendments to charters or bylaws, petitions for Board permission to establish branch offices, applications for Board approval of the purchase of assets or of consolidations, dissolutions, or mergers, and such other similar matters as are required to be approved by the Board or the Federal Savings and Loan Insurance Corporation under the statutes and rules and regulations. When these matters come to the attention of said agent he shall, after giving them due consideration, submit them, together with such supplemental information as may be available to him, to the Board with his recommendations thereon. After the issuance by the Board of a charter for a Federal savings and loan association, said agent shall follow up the corporate actions taken by the association in the completion of its organization, and shall require the association to comply with the laws, the rules and regulations made thereunder, and such other requirements as may be applicable thereto. Upon receiving from the District Examiner two copies of a report of a supervisory examination of a Federal savings and loan association or other insured institution, together with the District Examiner's analysis thereof, said agent shall make a careful study of such report and analysis, and shall transmit to the institution examined its copy of the report of the examination, and, if necessary, a supervisory letter on stationery provided by the Board and the Federal Savings and Loan Insurance Corporation for such purposes. Said agent shall forward promptly to the Board copies of all transmittal and other supervisory letters, and reports of supervisory conferences or meetings with officers or directors of Federal savings and loan associations and other insured institutions. The Board will consider the documents so forwarded and will advise the said agent concerning such matters as may appear to be appropriate. Any instructions or recommendations from the Board to the said agent with respect to his duties as agent of the Board and the Federal Savings and Loan Insurance Corporation shall be acted upon promptly.

PART 105—AVAILABILITY AND CHARACTER OF RECORDS

§ 105.10 *Records in control of the Home Loan Bank Board.* All requests to inspect official records shall be in writing and delivered to the Office of the Secretary, Home Loan Bank Board, Federal Home Loan Bank Board Build-

ing, 101 Indiana Avenue NW., Washington, D. C., with a statement of the name or names of the party or parties making such request and the concern of said party or parties in the matter. All records of the Home Loan Bank Board are in its custody and control for purposes relating to the powers, duties and authorities of the Home Loan Bank Board, under the provisions of the Federal Home Loan Bank Act, as amended, the Home Owners' Loan Act of 1933, as amended, and Reorganization Plan No. 3 of 1947. No officer or employee has any control over such records and no discretion with regard to permitting the use of them for any other purpose. All such officers and employees are hereby prohibited from giving out any official information obtained by any one of them on behalf of the Home Loan Bank Board, or any of such records, to any private person or to any local officer or to any court, including the production of such records or copies thereof made pursuant to their official duties, whether in answer to a subpoena duces tecum or otherwise. Whenever any such subpoena shall have been served upon any of them, they will appear in court in answer thereto, and respectfully decline to produce the records called for, on the ground of being prohibited therefrom by the rules and regulations in this part.

§ 105.11 *Records in control of agents, etc.* All records in the control of any person, including any of the Federal Home Loan Banks, the Federal Savings and Loan Insurance Corporation, or the Home Owners' Loan Corporation, in the capacity as agents of the Home Loan Bank Board, or in the hands of any officer or employee of the Home Loan Bank Board, must be considered deemed to be privileged and confidential, and such records are in their custody and control for purposes relating to the powers, duties and authorities of the Home Loan Bank Board under the provisions of the Federal Home Loan Bank Act, as amended, the Home Owners' Loan Act of 1933, as amended, and Reorganization Plan No. 3 of 1947. They have no control over them and no discretion with regard to permitting the use of them for any purpose. All such agents are hereby prohibited from giving out any official information obtained by any one of them on behalf of the Home Loan Bank Board, or any of such records, to any private person or to any local officer or to any court, including the production of such records or copies thereof made pursuant to their official duties, whether in answer to a subpoena duces tecum or otherwise. Whenever any such subpoena shall have been served upon any of them, they will appear in court in answer thereto, and respectfully decline to produce the records called for, on the ground of being prohibited therefrom by the rules and regulations in this part.

§ 105.12 *Confidential character* The giving out of any such records or information, or documents relative thereto, by any of the persons hereinabove referred to, is held to be contrary to public policy by reason of its privileged and confidential character involving delicate and sensitive matters relating to the con-

dition and affairs of financial institutions and not to be permitted. In all cases where any such documents or records, or copies thereof, are desired by, or on behalf of, any private party, or parties to a suit, whether in a court of the United States or any other, such information or copies shall be furnished only upon the written authorization or approval of the Home Bank Board, or such person or persons as may be authorized by it to grant such authorization or approval.

§ 105.13 *Availability of opinions, orders, rules and regulations for public inspection.* Notwithstanding any provision of §§ 105.10, 105.11 and 105.12, all final opinions or orders in the adjudication of cases, and all rules and regulations for the Federal Home Loan Bank System now or hereafter in force and effect except such final opinions and orders as are required for good cause to be held confidential and not cited as precedents, shall be made available for public inspection at the Office of the Secretary, Home Loan Bank Board, Federal Home Loan Bank Board Building, 101 Indiana Avenue NW., Washington, D. C.

§ 105.14 *Classification as confidential.* The classification of final opinions or orders in the adjudication of cases as final opinions and orders which are required to be held confidential and not cited as precedents shall be made only by the Home Loan Bank Board or such person or persons as it may designate for that purpose and shall be in writing. Any change in such classification may be made only by the Home Loan Bank Board or such person or persons as it may designate for that purpose and shall be in writing.

PART 106—BONDS AND DEBENTURES

§ 106.1 *Issuance of consolidated bonds.* The Board will determine and authorize the issuance of all consolidated Federal Home Loan Bank bonds, dates of issue, maturities, rates of interest, terms and conditions thereof, and the manner in which such bonds shall be issued, subject to the provisions of section 303 of the Government Corporation Control Act so far as applicable. The Board shall not issue consolidated bonds in excess of twelve times the total paid-in capital stock and reserves under section 16 of the Federal Home Loan Bank Act, as amended, of all the Federal Home Loan Banks. The Federal Home Loan Banks shall at all times maintain assets of the following types, free from any lien or pledge, in a total amount at least equal to the amount of consolidated bonds outstanding: (a) Cash; (b) obligations of or fully guaranteed by the United States; (c) secured advances; and (d) mortgages as to which one or more Federal Home Loan Banks have any guaranty or insurance, or commitment therefor, by the United States or any agency thereof.

§ 106.2 *Form of consolidated bonds.* Consolidated Federal Home Loan Bank bonds shall be issued in series and all consolidated bonds of the same series shall be of like date, tenor, and effect except as to denominations, which shall be in such amounts as may be authorized

by the Board. The form of each consolidated bond shall be prescribed by the Board. The Board may, in its discretion, from time to time, issue interim certificates temporarily in lieu of definitive consolidated bonds. Consolidated bonds issued with maturities of one year or less may be designated consolidated notes.

§ 106.3 *Transactions in consolidated bonds (transfers, exchanges, redemptions, etc.)* The general regulations of the Treasury Department now or hereafter in force governing transactions in United States securities are hereby adopted, so far as applicable and as necessarily modified to relate to consolidated Federal Home Loan Bank bonds, as the regulations of the Board for similar transactions in consolidated Federal Home Loan Bank bonds.

§ 106.4 *Lost, stolen, destroyed, mutilated, or defaced bonds.* The statutes of the United States, now or hereafter in force, and the regulations of the Treasury Department, now or hereafter in force, governing relief on account of the loss, theft, destruction, mutilation, or defacement of United States securities, so far as applicable and as necessarily modified to relate to consolidated Federal Home Loan Bank bonds, are hereby adopted as the regulations of the Board for the issuance of substitute consolidated Federal Home Loan Bank bonds or the payment of lost, stolen, destroyed, mutilated, or defaced consolidated Federal Home Loan Bank bonds.

§ 106.5 *Administrative provision.* The Secretary of the Treasury, or the Acting Secretary of the Treasury, is hereby authorized and empowered, as the agent of the Board and the Federal Home Loan Banks, to administer the regulations of the Home Loan Bank Board adopted by §§ 106.3 and 106.4, and to delegate such authority at his discretion to other officers, employees, and agents of the United States Treasury Department. Any such regulations may be waived on behalf of the Board and the Federal Home Loan Banks by the Secretary of the Treasury or the Acting Secretary of the Treasury or by an officer of the United States Treasury Department authorized to waive similar regulations with respect to United States securities, but only in any particular case in which a similar regulation with respect to United States securities would be waived. The terms "securities" and "bonds" as used in this section shall, unless the context otherwise requires, include and apply to coupons and interim certificates.

§ 106.6 *Reservation of right to revoke or amend; limitations thereon:* The right to revoke or amend Part 106 hereof, or to prescribe and issue supplemental or amendatory rules and regulations, is hereby reserved: *Provided, however,* That no revocation or relaxation of any of the restrictions or requirements contained in or imposed by the last two sentences of § 106.1 shall be effected unless there are no consolidated Federal Home Loan Bank bonds then outstanding or unless there shall have been deposited with the Treasurer of the United States, for the payment of the principal and interest to date of maturity (or to date designated for

redemption in the case of consolidated bonds which are callable and have been called for redemption) of all consolidated Federal Home Loan Bank bonds the holders of which have not consented to such revocation or relaxation, funds sufficient to pay in full said principal and interest to date of maturity or to such date designated for redemption.

PART 107—HEARINGS

§ 107.10 *Hearings on regulations for Federal Home Loan Banks.* After receipt of written requests therefor to the Secretary to the Board of at least seven members of the Federal Savings and Loan Advisory Council, or of at least four of the Federal Home Loan Banks (accompanied by certified resolutions of the boards of directors thereof), or of at least twenty-five members of the Federal Home Loan Bank System (accompanied by certified resolutions of the boards of directors thereof) the Board will fix a time and place for a hearing on a proposed amendment or upon an existing regulation relating to Federal Home Loan Banks to which petitioners object. The Secretary to the Board will give written notice of the time and place of such hearing to all the members of the Federal Savings and Loan Advisory Council, to the president of each of the Banks, and to each of the members of the Federal Home Loan Bank System which requested such hearing. The filing of a request for a hearing upon an existing regulation to which petitioners object shall not suspend the operation of such regulation. Any interested person, institution or association may appear in person at such hearing before the Board or may be represented at such hearing by any of its directors, officers, employees, agents, or attorneys-at-law and may offer evidence and examine witnesses.

§ 107.11 *Recommendations and representations at hearings by persons other than those requesting hearing.* No hearing upon a proposed amendment, rule, or existing regulation relating to Federal Home Loan Banks to which the petitioners object will be confined to persons requesting such hearing; but each such hearing will be open to any interested persons or to representatives of any Federal Home Loan Bank or member of the Federal Home Loan Bank System. Recommendations of other persons or institutions that may be affected, or from an organized trade association, may be filed with the Secretary to the Board either prior to or during any hearing, and such persons, institutions or associations may appear in person at such hearing before the Board, or may be represented at such hearing by any of their directors, officers, employees, agents, or attorneys-at-law; and be entitled to be heard.

PART 108—PROMULGATION OF REGULATIONS AND AMENDMENTS

§ 108.10 *Reservation of right to amend.* The Board expressly reserves the right to amend (including the right to alter or repeal) the regulations set forth in Subchapters A, E, C, D and E of this chapter.

§ 108.11 *Amendments of regulations without notice.* Any proposed amendment or rule may be adopted by the Board without compliance with the requirements of §§ 107.10 and 107.11, of this chapter, and §§ 108.12, and 108.13, which involves any matter relating to Board management or personnel or to public property, loans, grants, benefits, or contracts, or which is deemed to apply to interpretative rules, general statements of policy, rules of Board organization, procedure, or practice, or unless all persons subject to any such proposed amendment or rule are named and either personally or otherwise have actual notice thereof in accordance with law, or in any situation in which the Board for good cause finds (and incorporates the findings and a brief statement of the reasons therefor in the amendments or rules issued) that notice and public procedure thereon are impracticable, unnecessary or contrary to the public interest.

§ 108.12 *Notice of proposed amendments or regulations not within § 108.11.* Excepting any proposed amendment or rule adopted pursuant to § 108.11 no proposed amendment or rule (except any substantive rule granting or recognizing exemption or relieving restriction) will be adopted by the Board until at least thirty days have elapsed after publication in the FEDERAL REGISTER of general notice of such proposed amendment or rule including (a) a statement of the time, place, and nature of public rule making proceedings, (b) reference to the authority under which the amendment or rule is proposed, and (c) either the terms or substance of the proposed amendment or rule or a description of the subjects and issues involved. Notice of such proposed amendment or rule shall also be mailed to each member of the Federal Savings and Loan Advisory Council and to the President of each Federal Home Loan Bank.

§ 108.13 *Participation of interested persons in a proposed amendment or rule.* At any time within thirty days after publication in the FEDERAL REGISTER of general notice of a proposed amendment or rule as prescribed in § 108.12, interested persons may participate in the making of such a proposed amendment or rule through the submission of written data, views, or arguments thereon delivered within the prescribed time to the Secretary to the Home Loan Bank Board, 101 Indiana Avenue NW., Washington, D. C. Interested persons may also petition for the issuance, amendment, or repeal of an amendment or rule and deliver any such petition to the Secretary to the Board at the address given herein.

§ 108.14 *Repeal of rules and regulations.* This subchapter together with Subchapter B of this chapter repeals all prior rules and regulations, resolutions, orders and instructions of the Board inconsistent herewith.

§ 108.15 *Coordination of subchapters.* This subchapter shall be applied in conjunction with any related provisions of Subchapter B, C, D and E of said Chapter I together with such other material not inconsistent therewith as may be

filed now or hereafter by the Home Loan Bank Board, Federal Savings and Loan Insurance Corporation, or Home Owners' Loan Corporation pursuant to section 5, 49 Stat. 501, 44 U. S. C. 305, and sections 3 and 4, 60 Stat. 234, 5 U. S. C. 1002, 1003.

Resolved further that, pursuant to § 8.3 of the rules and regulations of the Federal Home Loan Bank System (24 CFR 8.3) notice having been duly given, Parts 1, 2, 3, 4, and 5 of said regulations (24 CFR, Ch. I, Parts 1, 2, 3, 4, and 5) are hereby amended, effective January 1, 1949, and, in conformance with 1 CFR 2.4, said parts and the sections therein are hereby redesignated for publication in Subchapter B, Federal Home Loan Bank System, of Chapter I, Home Loan Bank Board, Housing and Home Finance Agency, of Subtitle B, Regulations Relating to Housing Credit, of Title 24, Housing and Housing Credit, of the Code of Federal Regulations, 1949 edition, as follows:

PART 121—DEFINITIONS

§ 121.1 *Act.* The term "act" means the Federal Home Loan Bank Act, as amended.

§ 121.2 *Bank.* The term "Bank" means a Federal home loan bank established under the authority of the act.

§ 121.3 *Board.* The term "Board" means the Home Loan Bank Board or one or more of its officials who has been duly authorized by the Home Loan Bank Board to act in its behalf.

§ 121.4 *Creditor liabilities.* The term "creditor liabilities" means every form of obligation or debt, secured or unsecured, including deposits, investment certificates, certificates of indebtedness and all taxes, which the member is directly obligated to pay.

§ 121.5 *Deposits in banks or trust companies.* The term "deposits in banks or trust companies" includes a checking account maintained by a Federal home loan bank with the Treasurer of the United States, or a deposit in another Federal home loan bank.

§ 121.6 *Home mortgage.* The term "home mortgage" includes real estate sales contracts, and such other classes of first liens as are commonly given to secure indebtedness on real estate by institutions authorized under the act to become members, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

§ 121.7 *Member.* The term "member" means an institution which has been admitted to membership in a Federal home loan bank.

§ 121.8 *Net assets.* The term "net assets" means gross assets less:

(a) An amount equivalent to the book value of shares pledged in connection with loans of the share account sinking fund type;

(b) An amount equivalent to unapplied credits on mortgage loans;

(c) An amount equivalent to mortgages in process carried as a liability;

(d) An amount equivalent to unassumed mortgages on real estate owned if carried as a liability;

(e) Inter-series loans;

(f) Delinquent dues;

(g) An amount equivalent to reserves for depreciation on office building and furniture and fixtures unless these assets are carried at net figures with the reserves shown as a deduction from the original cost;

(h) An amount equivalent to special reserves established pursuant to § 203.17 of the rules and regulations for the Federal Savings and Loan System (24 CFR 203.17) and similar reserves established by State-chartered institutions pursuant to rules and regulations of State supervisory authorities;

(i) Current expenses;

(j) Any other similar contra item of an off-setting, bookkeeping nature.

§ 121.9 *Obligations of the United States.* The term "obligations of the United States" means all evidences of indebtedness issued by the United States or fully guaranteed as to principal and interest by the United States.

§ 121.10 *State.* Except as defined in § 122.45, the term "State" means any one of the 48 States, the District of Columbia, Puerto Rico, the Virgin Islands of the United States, or the Territory of Alaska or of Hawaii.

§ 121.11 *Paid-in value.* The term "paid-in value" of stock in a Federal Home Loan Bank means the aggregate par value of stock in such Bank which is fully paid, and the sum of payments on the par value of stock which is not fully paid.

PART 122—ORGANIZATION OF THE BANKS INCORPORATION

§ 122.1 An organization certificate made and filed by a Bank pursuant to the provisions of section 12 of the act shall be deemed its charter.

CAPITAL

§ 122.5 *Par value and price of stock.* The capital stock of each Bank, in excess of its minimum capital as established pursuant to the authority contained in section 6 (a) of the act, shall be sold at par unless a price in excess of par has been designated by the Board.

§ 122.6 *Dividends.* The board of directors of a Bank may, with the approval of the Board, declare dividends out of net earnings or undivided profits to stockholders of record at the close of business on June 30 and/or December 31 upon the paid-in value of capital stock outstanding on such record date payable on a date to be specified in the resolution declaring said dividend. On payments made on account of stock during the dividend period (after deducting amounts of any stock repurchased) dividends shall be computed for the time such payments were invested in the Bank's stock.

§ 122.10 *Issuance of stock certificates.* When a Bank receives advice that an institution has been approved for membership by the Board, it shall issue as of the effective date of such membership, in the name of such member, a certificate

of stock for the full amount of such member's stock subscription and upon the issuance of such certificate, such member shall be deemed a stockholder of record; but where such member has not made full and final payment on account of its stock subscription, the Bank shall hold the stock certificates so issued until full payment therefor has been received by the Bank. Upon the change in the name of a member, it shall surrender to the Bank its stock certificate or certificates, which shall be promptly cancelled and a new certificate or certificates issued in lieu thereof.

§ 122.11 *Stock certificates in consolidations.* Upon the consolidation of two or more member institutions into a single institution operating under the charter of one of the consolidating institutions, the institutions other than the one surviving shall surrender their stock certificates to the Bank of which they are members, and upon the cancellation of such certificates by the Bank, the stock subscriptions of such institutions may be refunded to the consolidated institution after adjustment to the minimum number of shares required to be held by the consolidated institution under the provisions of section 6 (c) and/or section 10 (c) of the act.

§ 122.12 *Stock certificates in reorganizations.* If a member institution reorganizes by transferring all of its assets to another institution or by transferring a portion of its assets to such institution and retaining the remainder for liquidating, the member shall surrender its stock certificate to the Bank, and upon the cancellation of such certificate the Bank shall, subject to the approval of the Board, and providing no advances are outstanding necessitating the holding of the stock as collateral, either refund to the member the value thereof (which shall not exceed the amount paid in) or, at its discretion, to the institution acquiring the assets; except, however, in lieu of the latter, if the institution acquiring the assets has made application and has been approved for membership, the Bank is authorized to apply as a payment on the stock subscription of such institution the refund value of the liquidating member's stock.

§ 122.13 *Lost or destroyed certificates.* The Banks are authorized to issue certificates of stock to replace certificates lost or destroyed, upon presentation by the member of satisfactory evidence of such loss or destruction, and such certificates shall show on the face thereof that they are duplicates.

DIRECTORS

§ 122.20 *Appointment.* Four directors of each Bank will be appointed by the Home Loan Bank Board (hereinafter referred to as the "Board")

§ 122.21 *Election.* Eight directors of each Bank will be elected in accordance with the provisions of §§ 122.21 to 122.44.

§ 122.22 *Voting qualifications.* As provided in section 7 of the act, eight of the twelve directors of each Bank shall be elected by the members thereof, provided such members hold at least \$1,000,000 of the capital stock of the Bank at

the time nominations are required. Members shall be deemed to hold \$1,000,000 of the capital stock of a Bank when they have subscribed to a total of \$1,000,000 par value of such stock, made the statutory payments thereon, such subscriptions have been accepted and the subscribers have been notified.

§ 122.23 *Class directors.* Two of such directors shall be known as Class A directors, two as Class B and two as Class C, and shall hold office for terms of two years. Each of these directors shall be a citizen of the United States, a bona fide resident of the district in which the Bank is located; shall be an officer or director of a member of the Bank in the group electing him and shall be deemed to be from the State in which such member is located.

§ 122.24 *Directors-at-large.* Two of the eight directors to be elected shall be elected by the membership-at-large without regard to classes; shall be known as directors-at-large; and shall hold office for terms of two years. Each of these directors shall be a citizen of the United States and a bona fide resident of the Bank district. Each of these directors who is an officer or director of a member of the Bank shall be deemed to be from the State in which such member is located. Each of these directors who is not an officer or director of a member of the Bank, shall be deemed to be from the State in which he has established a bona fide residence.

§ 122.25 *Conduct of election.* The election of directors shall be held annually and shall be conducted by mail under the supervision of the Board. No nominations shall be accepted from members which were admitted to membership within the ten days prior to the date nomination certificates are to be forwarded to members as set forth in § 122.26 and no votes for the election of candidates shall be accepted from members which were admitted to membership within the ten days prior to the date election ballots are to be forwarded to members as set forth in §§ 122.30 and 122.36, respectively.

§ 122.26 *Notification of nomination and classification.* The Board will adjust the lines of class demarcation of members every four years or more often if it deems such action desirable. Before August 1 of each year, the Board will divide the member institutions into groups A, B, and C on the basis of the size of the members as determined, as of May 31 immediately preceding said August 1, from the aggregate unpaid principal of each member's home mortgage loans appearing on the most recent annual report of the member in the possession of its Bank; or on the most recent financial statement of a member in the possession of its Bank in the event such Bank holds no annual report of such member. The Board will then notify each member not later than August 1 of each year of its right to nominate and of its classification and will furnish each member with a list of the members in its class and a list of those holding directorships at that time in the Bank of which it is a member, containing the name of

each director, the date of expiration of the term of each director, the name and address of the member institution of which each class director is an officer or director, the name and address of the institution with which each director-at-large is affiliated and his title, or, if not affiliated with an institution, his present or former occupation and the city and State of which he is a resident, indicating each class directorship and each directorship-at-large. At the same time each member will be furnished with the necessary nominating certificates and will be notified of each directorship to be filled from the membership-at-large and of each directorship to be filled in its class. Each Bank will be furnished with copies of all such information and certificates forwarded to its members.

§ 122.27 *Nominating certificates.* Upon receipt of the nominating certificates each member, by resolution of its governing body, may nominate, or authorize one of its directors and one of its officers to nominate, a suitably qualified person for each directorship to be filled in its class and each directorship to be filled from the membership-at-large. The certificates shall then be duly executed and mailed to the Secretary to the Board, so as to be delivered to his office in Washington, D. C., not later than August 31.

§ 122.28 *Notification to nominees.* A letter will be forwarded to each nominee under registered mail so as to reach his address, as shown by the Board's records, before September 9, informing him of his nomination: *Provided, however,* No such letter shall be forwarded to any nominee holding a class directorship or a directorship-at-large whose term does not expire until after the close of the calendar year during which the election is being held or to any nominee holding a public interest directorship, unless the Secretary to the Board has received from him before September 1 notice of his intention to be a candidate for a class directorship or directorship-at-large. With such letter each such nominee will be forwarded a list of nominees and the directorship or directorships for which each was nominated, and a questionnaire which will contain, among other things, a request for a brief biography and questions to ascertain whether the nominee is eligible for the directorship for which he has been nominated and whether he is willing to serve if elected. Such questionnaire must be completely filled in and mailed so as to be delivered to the office of the Secretary to the Board not later than September 15 in order for the nominee to have his name placed on an election ballot. No candidate shall be eligible for election to a directorship unless he is nominated and his name placed on an election ballot pursuant to the provisions of this section and § 122.29.

§ 122.29 *Nominations for more than one directorship.* In the event any person is nominated for two directorships, he will be so informed by the Board in the letter referred to in § 122.28 and given an opportunity to state which of said directorships he prefers; or in the event any person is nominated for more than two directorships, he will be so

RULES AND REGULATIONS

informed by the Board by said letter and given the opportunity to express his order of preference for the directorships for which he has been nominated. In each such case the nominee will be informed by said letter that it is necessary that the Board receive from him, not later than September 15, an expression of preference in order to have his name placed on an election ballot. In each such case where the Board has received from a nominee an expression of preference within the time referred to and the other information as required herein, the Board will, in accordance with the preference expressed, designate the directorship for which the nominee shall be a candidate; however, if it appears to the Board that such action would impair, or result in such nominee having no change of being elected on account of, the representation per State as set forth in § 122.32, the Board will designate such person as a candidate only for the directorship which appears to the Board to be the most suitable, if it also appears to the Board such person has a chance of being elected to such directorship. If it appears to the Board that a candidate has no chance of being elected to a directorship or to any of the directorships for which he has been nominated, on account of the representation per State as set forth in § 122.32, the name of such candidate will not be placed on an election ballot if he has made a request that his name not be so placed in such event.

§ 122.30 *First election ballots.* On or before October 1, the Board will mail to each member the first election ballots which will contain in alphabetical order the name of each candidate for each directorship to be filled in its class and from the membership-at-large who has complied with the provisions of §§ 122.28 and 122.29. Each ballot for a class directorship will also contain opposite the name of each candidate the name and address of the member institution of which he is an officer or director, and his title. Each ballot for a directorship-at-large will also contain opposite the name of each candidate, the name and address of the institution with which he is affiliated and his title or, if not affiliated with an institution, his present or former occupation and the city and state of which he is a resident. In the event a candidate for a directorship-at-large is affiliated with an institution which is not a member of the Bank such fact will be recorded on the ballot. The election ballots forwarded to each member shall be accompanied by a brief biography of each candidate listed on said ballots.

§ 122.31 *Balloting.* Each member, by resolution of its governing body, may cast its vote or authorize one of its directors and one of its officers to cast its vote for each directorship to be filled in its class and for each directorship-at-large to be filled by votes from the membership-at-large. The ballots shall be properly marked and the envelope of certification properly executed, and both mailed to the Secretary to the Board so as to be delivered at his office in Washington, D. C., not later than October 31.

§ 122.32 *State representation.* In determining the results of balloting by the members, the Board will, subject to the provisions of §§ 122.33 and 122.34, see that each State is represented on the new board of directors by at least the number of elective directors set forth below, provided there has been an eligible candidate from such State who has been voted for:

Bank districts:	Minimum number of directors per State
1 -----	1
2 -----	3
3 -----	1
4 -----	1
5 -----	2
6 -----	3
7 -----	3
8 -----	1
9 -----	1
10 -----	1
11 -----	1

§ 122.33 *First election results.* Before November 15 the Board will determine the results of the first election ballots. In case of each directorship subject to the election, any candidate having a majority of all votes cast for a directorship will be declared elected, provided the required minimum representation per State will not be impaired thereby. If the required minimum representation per State will not be maintained on the new board of directors, the Board will designate for each State which apparently would otherwise be inadequately represented the directorship or directorships to be filled only by a candidate from such State, provided there has been a properly qualified candidate from each of such States who has been voted for for the directorship so designated.

§ 122.34 *Designation of directorship for States inadequately represented.* In making each such designation the Board will first ascertain the directorships for which a candidate from the State which apparently would otherwise be inadequately represented has been voted for and which can be reserved for such State without impairing the necessary representation of any other State more entitled to representation. From the directorships thus ascertained to be available for designation, the Board will designate for each State which apparently would otherwise be inadequately represented the directorship for which a candidate from such State has received more votes than any other candidate for such directorship. If no candidate from such State has received such a plurality and the leading candidates for all of the available directorships are, therefore, from other States, the Board will, from the available directorships, designate the directorship for which the leading candidate has a lesser percentage of votes than any of the leading candidates for other available directorships. This procedure will eliminate from further consideration all candidates from other States for such directorship reserving it for candidates from the State which apparently would otherwise be inadequately represented.

If after designating a directorship to be filled from a State which apparently would otherwise be inadequately represented, the Board finds that only one

candidate from such State has received a vote or votes for such directorship, such candidate will be declared elected. Otherwise, a final election ballot will be required involving only candidates from such State for such directorship, who are to be selected in accordance with § 122.36.

§ 122.35 *Declaration and notification of first election results.* Upon determining the results of the first election ballots, the Board will declare elected the candidates who should be declared elected in accordance with the provisions of §§ 122.21 to 122.44. The Board will thereupon spread said results upon its minutes and notify the directors elected of their election. The Board will also furnish each Bank and each member thereof the results of the first election ballots and advice as to any directorship or directorships which are to be subject to a final election. The results of the first election ballots shall reflect the name of each candidate, the name and address of the institution with which he is affiliated, the number of votes he received and the candidate declared elected. Upon the request of a candidate the Board will furnish him with the number of votes each candidate received for the directorship for which he was a candidate.

§ 122.36 *Final election ballots.* On or before November 15, the names of the two highest candidates for each directorship not filled will be placed on final election ballots and such ballots forwarded to the members entitled to vote for such directorships: *Provided, however,* That in the event more than two candidates receive the same number of votes for a directorship and such number is greater than the votes of any of the other candidates for such directorship, the names of all said candidates receiving an equal number of votes shall be placed on the final election ballot: *Provided further,* That in the event one candidate receives more votes than any other candidate for the directorship and the next highest number of votes for the directorship is held by two or more candidates, the names of all said candidates receiving the two highest number of votes for the directorship shall be placed on the final election ballot. There will be shown opposite the name of each candidate on each final election ballot the same information which will be shown on each first election ballot opposite the name of each candidate, as set forth in § 122.30. Each Bank will be furnished with a copy of any final election ballots forwarded to its members.

§ 122.37 *Final balloting.* Each member, by resolution of its governing body, may cast its vote or authorize one of its directors and one of its officers to cast its vote for each directorship to be filled as the result of the final election ballots. The ballots shall be properly marked and the envelope of certification properly executed, and both mailed to the Secretary to the Board so as to be delivered at his office in Washington, D. C., not later than December 15.

§ 122.38 *Declaration and notification of final election results.* Upon determining the results of the final election ballots, the Board will declare elected the candidates receiving the highest number

of votes. The Board will thereupon spread said results upon its minutes and notify the directors elected of their election. The Board will furnish each Bank and its members with the results of the election of directors for that Bank. The results of the final election ballots shall reflect the name of each candidate, the name and address of the institution with which he is affiliated, the number of votes he received and the candidate declared elected. Upon the request of a candidate the Board will furnish him with the number of votes each candidate received for the directorship for which he was a candidate.

§ 122.39 *Tie vote.* In the event the voting for those whose names appear on a final election ballot results in a tie, the Board will determine which of the leading candidates shall be declared elected. The Board will also determine any other matters concerning elections which are not provided for in §§ 122.21 to 122.45.

§ 122.40 *Mailing of nominating certificates and balloting material.* All nominating certificates sent to members in the States shall be forwarded by regular mail, and all balloting material sent to such members shall be forwarded by registered mail and a return receipt requested. All nominating certificates and balloting material sent to members in Puerto Rico, the Virgin Islands, Alaska and Hawaii shall be forwarded by air-mail.

§ 122.41 *Opening, retention and inspection of ballots.* No election ballots will be opened until after the close of the polls. No ballots will be considered except ballots executed on forms supplied by the Board. No change in any ballot will be permitted after it has been delivered to the Secretary to the Board. All ballots and envelopes of certification shall be preserved by the Secretary to the Board until the end of the ensuing calendar year and shall be subject to inspection only by a member of the Board.

§ 122.42 *Prohibition of actions influencing votes.* Neither an officer, attorney, employee or agent of the Board nor a Board of Directors, Executive Committee, officer, attorney, employee or agent of a Bank shall take any action which would tend to influence votes for any candidate for a directorship in a Bank. The Board, after hearing, may consider a violation of the provisions of this section as grounds for dismissal or may declare the directorship involved as vacant, or both.

§ 122.43 *Polling time.* In the event any date specified in §§ 122.22 to 122.37 falls on a Sunday or a holiday, the next business day shall be included in the time allowed. All polls shall be closed on the dates specified at 5:00 p. m., e. s. t. No nominating certificate, questionnaire or ballot shall be considered unless delivered at the office of the Secretary to the Board, Washington, D. C., at or before the time specified.

§ 122.44 *Directorship vacancy.* In the event of a vacancy in any directorship required to be filled by election, the Board will fill the vacancy by an appointment for a period to expire at the end of the

calendar year in which the next regular election is held, and at said next election a director shall be elected to hold office for the unexpired portion of the term.

§ 122.45 *Definition of "State."* As used with respect to the election of directors for the Federal Home Loan Banks, the term "State" means any one of the 48 states or the District of Columbia, except that the states of Nevada and Arizona shall be deemed to constitute one "State" and that the right of minimum representation under § 122.32 shall be alternated between the states of Nevada and Arizona within the limitations of the regulations in this part and all pertinent resolutions and orders of the Federal Home Loan Bank Board, the Federal Home Loan Bank Administration and the Home Loan Bank Board.

COMPENSATION AND DUTIES OF DIRECTORS

§ 122.60 *Compensation.* Directors' fees shall be established by each Bank, subject to the approval of the Board.

§ 122.61 *Duties.* Individually and collectively, it shall be the specific duty of the directors of each Bank to have the Bank comply with the provisions of the act and of the regulations in this part relating to the operation of the Bank. The directors shall hold such meetings and perform such other duties as are set out in the Bank's bylaws.

SELECTION AND COMPENSATION OF OFFICERS AND EMPLOYEES

§ 122.70 *Selection.* The election or appointment of the officers, legal counsel and employees of a Bank shall be in accordance with the bylaws of such Bank. No full-time officer or employee of any Bank shall act in any capacity for any member or institution which is insured by the Federal Savings and Loan Insurance Corporation under any understanding providing for continuous or repeated services nor act in any capacity for any institution in connection with any petition, application, or matter in which any action is required by the Bank or any of its officers, whether the Bank or such person will be acting for the Bank or as agent of the Board, Home Owners' Loan Corporation, or Federal Savings and Loan Insurance Corporation, except when employed by, or with the consent of, the Federal Savings and Loan Insurance Corporation in cases involving payment of insurance, loans, purchases of assets or contributions by said Corporation under section 405 or 406 of the National Housing Act, as amended. The prohibitions as to employment set forth in the preceding sentence shall apply to the counsel and attorneys of any Bank, whether employed on a salary, fee, retainer or other basis, except that, with the prior consent of the Board, and to the extent of such consent, any such person may act as counsel or attorney for any institution in connection with any matters covered by such prohibitions. The Board disapproves the practice of nepotism in the selection of personnel.

§ 122.71 *Compensation.* The board of directors of each Bank shall adopt appropriate resolutions annually showing the contemplated compensation of officers and legal counsel, to be effective during

the next calendar year. Such resolutions shall be forwarded to the Board so as to reach it not later than November 1. The Board will, for each Bank, either approve or disapprove, in whole or in part, such proposed compensation and will advise the Bank of its action relating thereto. Each Bank may establish the amount and form of compensation of all other employees within the limits set forth in its approved budget. No bonus shall be paid by any Bank to any director, officer, employee or other person.

DUTIES OF OFFICERS

§ 122.75 *In general.* The President shall be the chief administrative officer of the Bank. The President and other officers shall have such powers and duties as are prescribed in the Bank's bylaws and in the regulations in this part.

§ 122.76 *President.* The President shall endeavor to ascertain whether each member of the Bank is complying with the provisions of the act and of the regulations in this part relating to such member. If the President finds that a member institution is not conducting its affairs in accordance with the foregoing, he shall request the member so to do. In the event the member does not comply with such request, the President shall report the matter, or cause it to be reported, to the board of directors.

FISCAL AGENT

§ 122.80 *Selection.* There shall be a Fiscal Agent of the Banks who shall be appointed by and whose compensation shall be established by the Presidents of the Banks, subject to the approval of the Board.

§ 122.81 *Duties.* (a) The Fiscal Agent shall (1) conduct all negotiations relating to the public or private offering and sale of consolidated Federal Home Loan Bank obligations, as may be authorized by the Board; (2) conduct all negotiations for the purchase and/or sale of any securities in behalf of a Federal Home Loan Bank, as may be requested by such Bank after receiving the approval of the Board in the event such approval is required or as may be requested by the Board; and (3) perform such other related duties as may be requested of him by a Federal Home Loan Bank or Banks and/or the Board.

(b) The Fiscal Agent shall maintain in a checking account in a commercial bank approved by the Banks an "imprest fund", in such maximum amount as may be approved by the Banks. Such bank account shall be subject to withdrawal by check or draft signed by either the Fiscal Agent, or by another person or persons designated by him with the approval of the Banks. Each Bank shall from time to time forward to the Fiscal Agent its check for the amount representing its prorata share of the expenditures made by him during a designated period from the funds received from the Banks, promptly upon receipt of statements from him of such amounts. All of the foregoing receipts from the Banks are to be deposited by the Fiscal Agent in the bank account hereinbefore referred to and are to be disbursed as hereinafter provided.

§ 122.82 *Compensation and expenses.* The Bank Presidents shall appoint a budget committee consisting of three Bank Presidents. The Fiscal Agent shall annually submit to such committee a budget for the following calendar year containing proposed allotments for the expenses of maintaining and operating his office. After such budget has been approved by the committee and adopted by the Banks, it shall be forwarded to the Board so as to reach it on or before the first day of December. After such budget has been approved by the Board, the Fiscal Agent may make disbursements thereunder from the funds provided for in § 122.81 (b). The Fiscal Agent may, without further authority, make a transfer from an excess allotment, in the budget referred to, to an insufficient allotment. However, transfers to allotments for compensation or rent of banking quarters, as well as any proposed changes which would increase the total of the approved budget, shall be submitted by the Fiscal Agent for approval in the same manner as the original budget was submitted. In addition the Fiscal Agent shall, upon the direction of the Board, make disbursements from the funds provided for in § 122.81 (b) in payment of such other expenses which will not be covered by the approved budget and which are deemed appropriate.

PART 123—MEMBERS OF BANKS

APPLICATION FOR MEMBERSHIP

§ 123.1 *Application form.* Applications for membership shall be made on forms approved by the Board. Any institution desiring to become a member of a Bank shall obtain application forms from and file the same in duplicate with the Bank of the district in which it is located.

§ 123.2 *Examination and review of application.* The officers of the Bank designated by its board of directors shall promptly consider the application for membership and shall endeavor to obtain such supplemental information as they may deem appropriate. They shall report their recommendations thereon to the board of directors or to the executive committee of the Bank, which shall consider the officers' report and, after obtaining any additional information with respect to the application as it may desire, shall then transmit the application to the Board with its recommendation thereon.

§ 123.3 *Board action on applications.* The Board, after considering the application and the recommendation of the Bank, will inform the Bank of its action thereon. The Bank will inform the applicant of such action, and, if the application is approved, transmit to the applicant the membership certificate received from the Board.

STOCK SUBSCRIPTION

§ 123.4 *Subscription form.* Duly executed subscription for stock shall be made by the applicant at the time of filing application for membership.

§ 123.5 *Minimum stock subscription.* When a member has filed with the Bank the report required by § 123.15, the Bank

shall notify the member if an additional subscription to its capital stock is required in order to comply with the act.

§ 123.6 *Adjustments in stock holdings.* The board of directors of any Bank may increase or decrease the amount of stock of any member from time to time so that the stock held by each member shall conform to the provisions of section 6 (c) of the act. In any case in which the amount of stock held by a member is decreased upon proper application of such member, the Bank shall pay for each share of stock, upon its surrender, an amount equal to the value thereof, which value shall be determined as provided in section 6 (i) of the act, or, at its election, apply the whole or any part of such payment as a credit upon the indebtedness of the member to the Bank. A Bank may require a member to give thirty days' written notice of its intention to make an application to the Bank for a decrease in the amount of stock held by it. In no case shall there be a reduction in the amount of stock held by any member to an amount less than that required by section 10 (c) of the act. The board of directors of any Bank may, by resolution, designate the duly constituted executive committee or any officer of such Bank to exercise the powers granted by this paragraph.

§ 123.7 *Excess stock subscriptions.* A member, subject to the approval of the Bank, may subscribe to the capital stock of the Bank of which it is a member in such larger amount than the minimum amount specified by the provisions of section 6 (c) of the act as it may desire, subject to the provisions of the law under which such member operates.

§ 123.8 *Payments on stock subscription.* An applicant may pay for stock subscribed in installments, as provided in section 6 (d) of the act. In the event of substantial delay between the time of filing of the application and notification of such applicant's admission to membership, provided the applicant has furnished all information required and complied with applicable laws and the regulations of the Board, such applicant may be allowed to make its second payment upon admission and succeeding payments as above provided. All other subscriptions to a Bank's stock shall be paid in full not later than the time the stock certificates therefor are issued.

§ 123.9 *Transfer or hypothecation of stock.* A member desiring to dispose of or transfer its stock shall make application for Board approval through the Bank of which it is a member.

REPORTS

§ 123.15 *Reports.* Each member shall make an annual report of its affairs as of the end of its fiscal year, or as of a date which may be mutually agreed upon by the Bank and such member, upon forms approved by the Board. Two copies of such annual report shall be forwarded to the member's Bank within thirty days after the end of such reporting year (unless the Bank shall establish a longer period not exceeding sixty

days). One copy of such report shall be transmitted by the Bank to the Board.

EXAMINATIONS

§ 123.20 *Examinations of members.* Examinations of members, when required on account of the inadequacy of State examinations for the purposes of the Banks, shall be made at least annually, as prescribed by the Board, and the cost of any such examination, as determined by the Board, shall be paid by the member.

§ 123.25 *Official membership insignia.* Each member is authorized to display the approved design of insignia of membership on its letterheads, share accounts books, advertising, and similar material and to display the insignia on its windows or the exterior of its quarters. Members are likewise authorized to use the words "Member Federal Home Loan Bank System" in plain lettering in similar instances.

WITHDRAWAL AND REMOVAL FROM MEMBERSHIP

§ 123.30 *Procedure for withdrawal.* When a member shall have filed with a Bank notice of its intention to withdraw from membership, the Bank shall submit such notice to the Board.

§ 123.31 *Cancellation of withdrawal notice.* A member, having filed notice of intention to withdraw from membership, may withdraw such notice at any time by notifying the Board within six months from the date of such notice.

§ 123.32 *Procedure for removal.* Adjudications pursuant to section 6 (i) of the act, in connection with the removal of Bank members, will be determined in accordance with, and follow the requirements of, the provisions of the Administrative Procedure Act, as now or hereafter amended.

PART 124—OPERATIONS OF THE BANKS

§ 124.1 *Banks quarters.* Neither a Bank nor the Fiscal Agent of the Banks shall enter into any contract for the lease of quarters until such proposed contract shall have been approved by the Board.

§ 124.2 *Investments.* (a) Ordinarily purchases and/or sales of obligations of the United States or other securities shall originate with the Banks. Each proposed purchase and/or sale of obligations of the United States or other securities by a Bank shall be authorized in advance by a majority of the members of the Bank's board of directors, executive committee, or an investment committee consisting of not less than three members, at least a majority of whom shall be directors of the Bank: *Provided, however,* That no such authorization shall be required for the purchase and/or sale by a Bank of any obligation of the United States maturing within twelve months from the date of its purchase by such Bank. No purchase and/or sale of such obligations of the United States or other securities shall be made by or for the account of any Bank without the prior approval of the Board. The foregoing provisions of this section shall not apply to special series United States Treasury Notes, and authority is hereby given by the Board

for any purchase or purchases of or other action or actions with respect to special series United States Treasury Notes by or for the account of any Bank where approved by such person or persons as may be designated by the Board.

(b) The principal amount of obligations of the United States shall be used as the basis in determining compliance with the provisions of sections 11 and 16 of the act.

(c) Advances to members maturing within one year on the security of home mortgages or obligations of the United States may be deemed investments in compliance with section 11 (g) of the act.

(d) The temporary holding of cash awaiting a propitious opportunity for the investment of reserves under the provisions of section 16 of the act is held to be not a violation thereof.

§ 124.3 *Transfer of funds between banks.* Interbank borrowing shall be through the medium of unsecured deposits. Such deposits shall bear interest at rates established by the Board.

§ 124.4 *Deposits from members.* (a) Banks may accept demand deposits from members, but no interest shall be paid thereon.

(b) Banks may accept time deposits from members but shall reserve the right to require, in writing, at least thirty days' notice of intention to withdraw such deposits or any part thereof. The rates of interest to be paid on such deposits as remain unwithdrawn for periods of thirty days or more may be established by the board of directors of each Bank, within the range established by the Board.

§ 124.5 *Trustee powers.* Each Bank is authorized to act as trustee in any trust affecting the business of any member, nonmember insured institution, any institution or any group making application for membership in a Bank or for insurance of accounts, or any group making application for a charter for a Federal Savings and Loan Association, provided such trusts are limited to those which are created or which arise for the benefit of the institution as such or for the benefit of its savers, investors or borrowers and/or are in the interest of the promotion of sound and economical home financing, and provided further that Banks shall cease to act as trustees in the case of applicants if the application is withdrawn or rejected. The Banks are authorized to make reasonable charges for services rendered in connection with such trusts.

§ 124.6 *Budgets.* Each Bank shall prepare and submit to the Board for its approval a budget of operations in the manner and according to the procedure prescribed in its bylaws. Each Bank shall submit to the Board with its budget a certificate signed by its president as to the compliance by each of its officers, legal counsel and employees with the provisions of § 122.70 and a properly certified copy of the resolutions of its board of directors electing officers and appointing legal counsel. The Board will either approve the budget as submitted by each Bank or approve such budget with such adjustments therein as to it appear proper. A Bank may at any time adopt

and request the Board's approval of an amendment to its approved budget; and upon approval of any such amendment by the Board, such Bank shall be operated within such amended budget.

§ 124.7 *Surety bonds.* Each Bank shall maintain adequate surety bonds covering all officers, employees, attorneys, or agents having control over or access to monies or securities owned by each Bank or in its possession, in companies approved by the Board. The form and amount of such bonds shall be subject to the approval of the Board. All such bonds and evidence of their continuation shall be held in the custody of the Board.

§ 124.8 *Insurance.* Each Bank shall comply with all provisions of law as to the maintenance of liability, compensation or other insurance, and may maintain such additional forms and amount of insurance as in the opinion of its board of directors is necessary to protect the interests of the Bank.

§ 124.9 *Safe-keeping accounts.* All securities owned by each Bank shall be held in either the Federal Reserve Bank of New York or the Federal Reserve Bank of Chicago, subject to the order of the Secretary of the Treasury, who will promptly transmit to the Federal Reserve Bank concerned all orders affecting such safe-keeping accounts which have been delivered to him by the Board; provided, however, any Bank may make arrangements with a Federal Reserve Bank or with one of its depository commercial banks to hold in safe-keeping United States Treasury Bills and/or Certificates of Indebtedness owned by it subject only to its order. Without regard to the foregoing provisions of this section, any special series United States Treasury Notes held by or for the account of any Bank may be held with the Treasurer of the United States or with such depository or depositories as may be designated by the Board.

§ 124.10 *Securities held in trust or as collateral.* Bonds and negotiable securities held by a Bank as collateral or in trust shall be placed in the custody of a Federal Reserve Bank or branch thereof, a financial institution which is a member of the Federal Reserve System or of the Federal Deposit Insurance Corporation, or under such other arrangement as may be approved by the Board; provided, however, that this section shall not apply to bonds and negotiable securities held in custody pursuant to the plan for the handling of security transactions of member institutions approved August 13, 1943.

§ 124.11 *Depositaries.* Each Bank shall maintain a checking account with the Treasurer of the United States. The board of directors of a Bank shall designate such further depositaries as the convenient operation of the Bank shall require, provided that such depositaries shall, unless otherwise authorized, be members of the Federal Reserve System or of the Federal Deposit Insurance Corporation and that the amount carried in depositaries other than the Treasurer of the United States, shall not exceed the deposits of members and the amount

paid in by members on account of subscriptions to capital stock.

§ 124.12 *Donations.* Since a Bank is not a local institution, but is concerned with the affairs of all communities in its district and since it would be impracticable to make donations to charitable organizations without exercising a preference in favor of some communities as against others, and in the complete absence of any authority at law for Banks to make contributions to charitable organizations, no such donations are to be made by the Banks.

§ 124.13 *Accounting.* The accounting system for each of the Banks and all accounting forms used by the Banks shall be subject to the approval of the Board.

PART 125—ADVANCES

GENERAL PROVISIONS RESPECTING ADVANCES

§ 125.1 *Borrowing capacity of members.* The borrowing capacity for each member shall be the amount for which the member can legally obligate itself, 50% of its net assets or 50% of its liability for shares and deposits whichever is less, unless otherwise directed by the Board.

§ 125.2 *Lines of credit.* The board of directors or executive committee of each Bank may establish a line of credit for each member not in excess of the member's borrowing capacity. Within the lines of credit so established, the executive officers of each Bank may make advances to such members (subject to compliance by the member with all legal requirements) but a report of advances so made shall, in so far as practicable, be submitted at the next meeting of the board of directors or executive committee of the Bank, whichever meets first: *Provided, however,* That advances authorized under § 125.32 shall be made only in accordance with the specific limitations set forth in such section. Lines of credit shall be reviewed at least every fifteen months by the board of directors or executive committee of each Bank, and shall be revised when necessary. Lines of credit shall lapse at the end of fifteen months from the date authorized if current information regarding the condition of the member is not available, and thereafter no advances shall be made except upon the specific approval of the board of directors or executive committee of the Bank. In establishing a line of credit for a member, the board of directors or executive committee of the Bank may indicate the amount thereof that may be advanced without pledge of collateral. Reviews of lines of credit shall be comprehensive enough to determine the current condition of a member.

§ 125.3 *Interest rates.* The rates of interest on advances to members shall be established by the board of directors of each Bank, within the range established by the Board.

§ 125.4 *Bank stock collateral.* The Bank's actual possession of fully paid certificates of stock is not necessary under the provisions of section 10 (c) of the act before making an advance to a member. However, the assignment of

such stock should be in the note or other form of obligation used.

ADVANCES SECURED BY HOME MORTGAGES OR OBLIGATIONS OF THE UNITED STATES

§ 125.10 *Terms of advances.* The Banks may make advances to members on the security of home mortgages and/or obligations of the United States, as provided in section 10 of the act, for periods of not to exceed ten years, on a monthly or quarterly amortization basis, with interest thereon payable monthly or quarterly, except that advances for periods not exceeding one year need not be amortized.

§ 125.11 *Determination of value of mortgage collateral.* Subject to the limitations prescribed by the act, each Bank shall exercise its judgment in determining the collateral value of each mortgage.

§ 125.12 *Joint home and business property.* A first mortgage on real estate upon which is located a dwelling or dwellings for not more than four families, if otherwise eligible, does not become ineligible because the real estate also has other improvements thereon, as in the case of what is commonly termed "joint home and business" property.

§ 125.13 *Mortgages exceeding \$20,000.* A home mortgage which was originally written for more than \$20,000 but which has been reduced to \$20,000, or less, may be accepted as collateral, if otherwise eligible.

§ 125.14 *Past due mortgages.* A home mortgage is held to be "past due more than six months when presented" if, (a) that date is more than six months after its final maturity date, or (b) if at that date, six months or more have elapsed since the holder has declared a default of the home mortgage, or (c) if at that date a sum has accrued and remains unpaid equivalent to the required contract payments for a period of six months beyond the time when the holder of the mortgage has an option to declare the whole of the debt due and collectible.

§ 125.15 *Curing of delinquencies on past due mortgages.* A mere waiver by the holder of a mortgage of contracted amortization payments shall not constitute a cancellation of such delinquency, but the parties thereto may enter into a written contract modifying the terms of repayment, the effect of which may be to make the mortgage eligible as collateral.

§ 125.16 *Mortgage moratoria laws.* The Banks may give full faith and credit to acts of State legislatures in reference to extending home mortgage indebtedness.

§ 125.17 *Mortgage collateral becoming past due.* A home mortgage which becomes more than six months past due while held by a Bank as collateral, may be retained, but the Bank in such cases shall call for such additional collateral as to the Bank may appear to be appropriate for the full and adequate security of its loan.

§ 125.18 *Mortgages subject to prior tax liens.* The Banks are authorized to ac-

cept and retain as collateral, home mortgages on property on which there exists a prior tax lien, provided there is not reasonable danger that such property will be sold for taxes. Full consideration shall be given to such unpaid taxes, if any, when fixing the collateral value of such mortgages.

§ 125.19 *Reports on mortgage collateral.* At least annually, each borrowing member shall be required to furnish its Bank with a report of the current status of each home mortgage pledged to said Bank as collateral. The form of the report shall be subject to the approval of the Board.

§ 125.20 *Split mortgages.* In the case of a so-called "split mortgage" where two or more mortgages are written upon identical property but where the contract or contracts provide that a portion of such indebtedness shall be carried as a straight mortgage and a portion as an amortized mortgage, then, if the mortgage is otherwise eligible, that portion which is amortized may be accepted as collateral under the provisions of section 10 (a) (2) or (3) of the act, as the Bank may elect, but that portion which is not amortized may be accepted only under the provisions of section 10 (a) (3) of the act. However, no "split mortgage" shall be accepted as collateral unless the entire mortgage debt is pledged.

§ 125.21 *Additional collateral.* If, during the time an advance is outstanding, a deficiency of eligible collateral should develop, and a satisfactory, corresponding reduction in the amount of the advance cannot be obtained; a Bank may protect its interests by obtaining any collateral which will strengthen its position.

§ 125.25 *Advances secured by other securities.* Advances to members secured by securities other than obligations of the United States may be made by each Bank for periods not to exceed one year, under the provisions of section 11 (g) (3) of the act: *Provided*, (a) That the securities so held as collateral constitute an investment in which the member is legally authorized to invest its funds; (b) that such securities have a readily ascertainable market value; and (c) that such securities are not in default with respect to payments of interest or principal. Advances under this section shall not be made in an amount in excess of eighty per centum of the market value or principal amount of such securities, whichever is less, provided that advances in amounts not in excess of face value may be made upon the security of consolidated Federal Home Loan Bank obligations.

§ 125.26 *Advances secured by members' deposits.* Advances for periods not exceeding one year may be made to a member under the provisions of section 11 (g) (3) of the act, on the security of time deposits of such member, in an amount not exceeding the total amount of said deposits.

UNSECURED ADVANCES

§ 125.30 *Acceleration of maturity.* Unless otherwise authorized by the

Board, each note representing an advance under the provisions of section 11 (g) (4) of the act shall provide that in the event the creditor liabilities of the borrower, excepting its liabilities to the Bank, are increased in any manner to an amount exceeding 5 per centum of its net assets, the Bank shall have the option of declaring the note immediately due and payable.

§ 125.31 *Advances to pay debts.* Advances under section 11 (g) (4) of the act may be made to a member whose creditor liabilities (not including advances from the Bank) are in excess of 5 per centum of its net assets, provided the Bank shall determine that as a result of any such advance the creditor liabilities (not including advances from the Bank) of such member will be reduced to an amount not in excess of 5 per centum of its net assets.

§ 125.32 *Thirty day advances.* In addition to unsecured or secured advances with a maturity of not to exceed one year which may be made under the provisions of section 11 (g) (4) of the act, advances for not more than thirty days, on an unsecured basis or on any kind of security that may be readily available, may be made to members under the provisions of section 11 (g) (3) of the act, provided the same have been unanimously approved by the executive committee of a Bank or by a majority of the directors or by two officers of the Bank. Such advances shall either be paid at maturity or refunded with eligible collateral.

ADVANCES TO NON-MEMBER MORTGAGEES

§ 125.33 *Lines of credit.* The board of directors or executive committee of each Bank may establish a line of credit for each prospective non-member mortgage borrower under the provisions of section 10b of the act, which, in the opinion of such board of directors or executive committee, may be safely extended.

§ 125.34 *Eligible institutions.* The term "chartered institutions having succession and subject to the inspection and supervision of some governmental agency" as used in section 10b of the act is deemed to mean institutions which are, by law, subject to the continuous examination and supervision of some governmental agency having legal power and authority to inspect and supervise. An institution may not qualify merely by contracting with the Reconstruction Finance Corporation, the Federal Housing Administration, or a similar agency of the Government to furnish audits or to permit examinations.

§ 125.35 *Rates of interest.* In view of the fact that such non-member mortgagees are not required to maintain an investment in the capital stock of a Bank as is required of members, the rates of interest to be charged on advances to non-member mortgagees shall be not less than one-half of one per centum nor more than one per centum higher than the rates of interest charged to members on advances of like character.

§ 125.36 *Applications for advances.* Applications for such advances shall be made in writing on forms prescribed by

the Board. A Bank may at its discretion deny such applications, or may grant them on terms and conditions which are no more liberal than those applicable to advances to members.

Resolved further that, pursuant to § 8.3 (b) of the rules and regulations for the Federal Home Loan Bank System (24 CFR 8.3 (b)) provisions contained in sections 1 through 8.5 of said rules and regulations (24 CFR 1-8.5), which have not been amended and redesignated by the foregoing paragraphs of this resolution into the General Regulations of the Home Loan Bank Board (24 CFR, Parts 100-119) and the regulations for the Federal Home Loan Bank System (24 CFR, Parts 120 to 139) are hereby rescinded, effective January 1, 1949.

Resolved further that the aforesaid amendments, rescissions, and redesignations either being of a minor and technical character of no particular interest to the public, or relieving certain restrictions and requiring no particular preparatory action, constitute good cause for not deferring the effective date thereof beyond that herein contained.

(Sec. 17, 47 Stat. 736; 12 U. S. C. 1437; Reorg. Plan No. 3 of 1947, 12 F. R. 4981)

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE,
Secretary.

[F. R. Doc. 48-11162; Filed, Dec. 22, 1948;
9:07 a. m.]

Subchapter C—Federal Savings and Loan System [No. 1286]

REDESIGNATION OF RULES AND REGULATIONS DECEMBER 17, 1948.

Resolved that, in conformance with 1 CFR 2.4, the rules and regulations for the Federal Savings and Loan System (24 CFR II) are hereby redesignated, effective January 1, 1949, for publication as Subchapter C, Federal Savings and Loan System, of Chapter I, Home Loan Bank Board, Housing and Home Finance Agency, of Subtitle B, Regulations Relating to Housing Credit, of Title 24, Housing and Housing Credit, in the Code of Federal Regulations, 1949 edition, without change of part or section arrangement, except that the first two digits, 20, of each section number shall be changed to 14, so, for example, § 201.1 will thereafter appear as § 141.1.

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE,
Secretary.

[F. R. Doc. 48-11163; Filed, Dec. 22, 1948;
9:07 a. m.]

Subchapter D—Federal Savings and Loan Insurance Corporation [No. 1287]

REDESIGNATION OF THE RULES AND REGULATIONS FOR INSURANCE OF ACCOUNTS DECEMBER 17, 1948.

Resolved that, in conformance with 1 CFR 2.4, the rules and regulations for Insurance of Accounts (24 CFR III) are hereby redesignated, effective January 1,

1949, for publication as Subchapter D, Federal Savings and Loan Insurance Corporation, of Chapter I, Home Loan Bank Board, Housing and Home Finance Agency, of Subtitle B, Regulations Relating to Housing Credit, of Title 24, Housing and Housing Credit, in the Code of Federal Regulations, 1949 edition, without change of part or section arrangement, except that the first two digits, 30, of each section number shall be changed to 16, so, for example, § 301.1 will thereafter be § 161.1.

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE,
Secretary.

[F. R. Doc. 48-11164; Filed, Dec. 22, 1948;
9:07 a. m.]

Subchapter E—Home Owners' Loan Corporation [No. 1288]

REVISION AND REDESIGNATION OF CODIFIED RULES AND REGULATIONS OF HOME OWNERS' LOAN CORPORATION

DECEMBER 17, 1948.

EDITORIAL NOTE: Codification of Parts 181-183 is discontinued. Future amendments to this material will be published in the Notices section. Amendments to Part 181 will be published in the Regulations section.

Resolved that, effective January 1, 1949, the codification of rules and regulations of the Home Owners' Loan Corporation as contained in 24 CFR, Chapter IV, is hereby discontinued and the following regulations are hereby adopted for said Corporation, which are to be codified in Subchapter E, Home Owners' Loan Corporation, Chapter I, Home Loan Bank Board, Housing and Home Finance Agency, of Subtitle B, Regulations Relating to Housing Credit, Title 24, Housing and Housing Credit:

PART 181—OFFICERS

BOARD

§ 181.0 *Board.* The word "Board" wherever used in Parts 180 through 199 shall mean the Home Loan Bank Board which exercises the functions of the Board of Directors of Home Owners' Loan Corporation, including those of any member or members of said Boards and the Federal Home Loan Bank Board, pursuant to Reorganization Plan No. 3 of 1947.

GENERAL MANAGER

§ 181.1 *General Manager; authority.* Under the general supervision and direction of the Board, the General Manager shall be the chief executive officer of the Corporation and he shall have complete and final authority according to law and within established policies, to exercise executive and administrative direction of the Corporation's affairs, programs, and undertakings. He also shall have authority to sign, execute, acknowledge, and deliver any and all papers, instruments, checks, vouchers, and documents necessary or appropriate to the conduct of the Corporation's business, including certifications required by statute or other authority.

GENERAL COUNSEL

§ 181.2 *General counsel; authority.* Responsible to the Board, to which he

shall report, the General Counsel of the Home Loan Bank Board shall be the General Counsel of Home Owners' Loan Corporation. He shall be an executive and administrative officer of the Corporation and he shall have complete and final authority, according to law and within established policies, to exercise executive and administrative direction of the Corporation's Legal Department and of the personnel therein. The General Counsel shall exercise complete and final authority over and in respect to all legal work of the Corporation, and he shall have complete control of all matters of legal import concerning the Corporation. He shall have authority to sign, execute, acknowledge, and deliver any and all papers, instruments, or documents which he determines to be necessary or appropriate to or in the conduct of the Corporation's legal business or work. The General Counsel shall be the chief consulting officer of the Corporation in all legal matters and shall give to the Chairman and Members of the Board, and to the General Manager of Home Owners' Loan Corporation, and the other officers thereof, legal advice and opinion in such matters as they desire or as he may determine necessary or appropriate.

§ 181.3 *Exercise and delegation of authority of General Counsel.* The General Counsel shall be assisted by associates, assistants and attorneys, who shall be appointed upon the recommendation of the General Counsel. The authority vested in the General Counsel may be exercised by an Associate General Counsel, an Assistant General Counsel or an Assistant to the General Counsel. Such authority also may be exercised by an attorney designated in writing by such counsel respectively.

§ 181.4 *Associate General Counsel; authority.* There may be an Associate General Counsel in charge of the Legal Department of Home Owners' Loan Corporation who shall exercise therein the authority of the General Counsel.

TREASURER AND ASSISTANT TREASURER

§ 181.5 *Treasurer's authority.* The Treasurer of Home Owners' Loan Corporation shall be an administrative officer thereof under the general supervision and direction of the General Manager, to whom he shall report. The Treasurer shall have the care and custody of the official fund or money of the Corporation and any other funds or money of which it has custody, and the Treasurer shall be responsible for the proper disposition thereof. The Treasurer shall also be responsible for the care and custody of such records, bonds, investment certificates, notes, agreements and other valuable papers as may be entrusted to him.

§ 181.6 *Treasurer as Disbursing Officer's general duties; Assistant Treasurer.* The Treasurer shall be the chief Disbursing Officer of the Corporation, and he is hereby authorized to sign all checks for the payment of money. The Treasurer and the Assistant Treasurer are authorized individually to disburse funds from and sign checks, either in person or by facsimile signature, drawn upon any or all Corporation accounts maintained with the Treasurer of the United States,

including any Corporation account upon which all signatories have been revoked. The Treasurer and the Assistant Treasurer are individually authorized to sign substitute checks on any account of the Corporation which has been or is hereafter established, and to sign such forms and take such steps in connection therewith as may be prescribed by the United States Treasury Department regulations covering the issuance of substitute checks. All checks for amounts in excess of \$5,000 shall be signed personally by the Treasurer or by the Assistant Treasurer and countersigned by the General Manager, or Deputy General Manager: *Provided*, That checks payable to taxing authorities in excess of \$5,000 may be signed by the Treasurer or by the Assistant Treasurer by facsimile signature without counter-signature. The Treasurer shall pay out and dispose of the funds or money of the Corporation or any other funds or money of which it has custody under the direction of the General Manager. When necessary or proper, he shall endorse on behalf of the Corporation, for collection, checks, money orders, vouchers and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depository as the Board may designate. Whenever required by the Board or the General Manager, he shall render a statement of his cash account; he shall enter regularly in books of the Corporation to be kept by him for the purpose, full and accurate account of all money received and paid by him on account of the Corporation and he shall perform all acts incident to the position of Treasurer and such other duties as may be assigned to him by the Board or the General Manager.

CONVEYANCING AUTHORITY

§ 181.7 *General conveyancing resolution.* The following resolution which was adopted on December 19, 1935, shall continue in full force and effect:

Be it resolved, that the following officers of Home Owners' Loan Corporation to wit: The Chairman of the Board or Vice Chairman, the General Manager or any Deputy General Manager, the Secretary or any Assistant Secretary, the Treasurer or any Assistant Treasurer, any Regional or Assistant Regional Manager, any Regional or Assistant Regional Treasurer, be, and each is, hereby authorized to execute, seal with the Corporate Seal, attest, acknowledge on behalf of the Corporation and deliver or accept any instrument, and perform any and all acts necessary or appropriate, in connection with: (a) The exercise of any power-of-attorney now or hereafter running to Home Owners' Loan Corporation and the appointment of substituted trustees under deeds of trust or other instruments securing debt now or hereafter held by the Corporation, or (b) the foreclosure of any mortgage or security now or hereafter held by said Corporation, including foreclosure deeds in pursuance of sales under power-of-attorney, or (c) the purchase, sale for cash or on terms or rental of any property to or by said Corporation, including deeds conveying title to real estate or any interest therein now or hereafter held by the Corporation and contracts or other obligations for the sale of real estate or any interest therein now or hereafter held by the Corporation, or (d) the acquisition by giving in payment, reconveyance, assignment, complete or partial release, subordination, satisfaction, cancellation or discharge

of any judgment, lien, security, mortgage or instrument of indebtedness now or hereafter held by said Corporation, or (e) the appointment of an attorney in fact to act for the Corporation in the foregoing matters or to acknowledge any instrument on behalf of the Corporation; and

Be it further resolved, that the Secretary or any Assistant Secretary of the Corporation is authorized to certify and furnish such copies of this resolution as may be required and to authenticate, acknowledge, and do any other act necessary to entitle it to be recorded in any jurisdiction.

(a) The following resolution, which was adopted on September 29, 1936, shall continue in full force and effect:

Be it resolved, that in addition to the authority heretofore granted, the following officers of Home Owners' Loan Corporation, to wit: The Chairman, Vice Chairman, or any other member of the Board of Directors, the General Manager or any Deputy General Manager, the Secretary or any Assistant Secretary, the Treasurer or any Assistant Treasurer, any Regional or Assistant Regional Treasurer be, and each is, authorized also to execute, seal with the Corporate Seal, attest, acknowledge or verify on behalf of the Corporation, and deliver or accept any instrument, and perform any and all acts necessary or appropriate, in connection with, (a) extending, modifying, supplementing, altering, or otherwise affecting or relating to any mortgage, deed of trust, or other lien or security instrument or contract securing or relating to loans or advances or any sales contract, lease, option, or other instrument relating thereto or any note, bond, or other obligation or indebtedness now or hereafter held by the Corporation or in which it has any interest legal or equitable; (b) the appointment of an attorney in fact to act for the Corporation in the foregoing matters or to acknowledge any instrument on behalf of the Corporation; and

Be it further resolved, that the Secretary or any Assistant Secretary of the Corporation is authorized to certify and furnish such copies of this resolution as may be required and to authenticate, acknowledge, and do any other act necessary to entitle it to be recorded in any jurisdiction.

(b) *General conveyancing resolution.* The following resolution which was adopted on September 27, 1937, shall continue in full force and effect:

Be it resolved, that the following officers of Home Owners' Loan Corporation, to wit: The Chairman of the Board of Directors or Vice Chairman, or any Member of the Board of Directors, the General Manager or any Deputy General Manager, the Secretary or any Assistant Secretary, the Treasurer or any Assistant Treasurer, any Regional or Assistant Regional Manager, any Regional or Assistant Regional Treasurer, or any State, Division or Territorial Manager or any Assistant State, Division or Territorial Counsel, be and each is, hereby authorized to execute, seal with the Corporate Seal, attest, acknowledge on behalf of the Corporation and deliver or accept any instrument, and perform any and all acts necessary or appropriate, in connection with: (a) The exercise of any power-of-attorney now or hereafter running to Home Owners' Loan Corporation and the appointment of substituted trustees under deeds of trust or other instruments securing debt now or hereafter held by the Corporation, or (b) the foreclosure of any mortgage or security now or hereafter held by said Corporation, including foreclosure deeds in pursuance of sales under power-of-attorney, or (c) the purchase, sale, management, ownership, or rental of any prop-

erty to or by said Corporation, including deeds conveying title to real estate or any interest therein now or hereafter held by the Corporation and contracts or other obligations for the sale of real estate or any interest therein now or hereafter held by the Corporation, or (d) the acquisition by giving in payment, reconveyance, assignment, complete or partial release, subordination, satisfaction, cancellation or discharge of any judgment, lien, security, mortgage or instrument of indebtedness now or hereafter held by said Corporation, or (e) the appointment of an attorney in fact to act for the Corporation in the foregoing matters or to acknowledge any instrument on behalf of the Corporation; and

Be it further resolved, that this resolution shall become effective on October 1st, 1937; and the Secretary or any Assistant Secretary of the Corporation is authorized to certify and furnish such copies of this resolution as may be required, and to authenticate, acknowledge, and do any other act necessary to entitle it to be recorded in any jurisdiction.

PART 182—EMPLOYEE COMPORIMENT AND CONDITIONS

§ 182.1 *Performance of work by salaried or fee personnel.* The General Manager and the General Counsel within their respective jurisdictions, and in the discretion of each respectively, shall determine what class or classes and what kind or kinds of work or service shall be performed or furnished by salaried or fee personnel. The General Manager and the General Counsel, each, shall have final and complete authority within their respective jurisdictions, to establish standards, norms or qualifications for the selection of fee personnel, to select such personnel, to govern and control their activity in the relationship and association with the Corporation, and to deal with such personnel individually or collectively in every way to the end that the best interests of the Corporation shall be served. Like authority may be exercised by the General Manager and the General Counsel, within their respective jurisdictions in obtaining professional, technical, skilled or other specialized services or work on a contract basis.

APPROVED FEE PERSONNEL

§ 182.2 *Approved fee personnel; assignments to Government full- or part-time employees.* Unless specially authorized in writing by the General Manager or, as to legal matters, by the General Counsel, assignments for services to be performed on a fee basis shall not be made to a person who is a full-time or part-time salaried employee of the United States, or any department or agency thereof, or any corporate agency or instrumentality of the United States having no capital stock, or all of whose capital stock (except any qualifying shares of directors or similar officers which may be otherwise owned) is beneficially owned directly or indirectly, by the United States.

§ 182.3 *Approved fee personnel; assignments to W. A. E. Government personnel.* Assignments for services to be performed on a fee basis may be made to a person who is a WAE employee of the United States, or any department or agency thereof, or of any such corporate agency or instrumentality of the United

States: *Provided*, That fee service shall not be performed by such an employee of the Corporation on the same day as WAE employment by the Corporation.

§ 182.4 *Salaried personnel; acceptance of checks, etc. by field representatives.* Field representatives may receive checks, money orders and bank drafts only if drawn to the order of Home Owners' Loan Corporation as payee, and when tendered in the face amount of such check, money order or bank draft, as payment in whole or in part of an obligation due to the Corporation. Field representatives shall not receive payments in cash unless specifically authorized by the General Manager.

PART 183—FEES, EXPENSES AND COSTS

§ 183.1 *Costs, expenses, fee; payment.* The General Manager and the General Counsel respectively are each hereby authorized within their respective jurisdictions to incur any fee, expense or cost incident to or in connection with, or arising or resulting from, the existence of the Corporation or the conduct of its business and to approve the amount and payment thereof. The Auditor is authorized to incur reasonable expenses incident to the proper execution of auditing functions and to approve the amount and payment thereof, subject to the limitations imposed by the manual of rules and regulations of the Corporation. Funds for the payment of any such fees, expenses or costs shall be certified for payment, or for advance, by the Authorized Certifying Officer and paid by the Treasurer or other authorized disbursing officer, in accordance with vouchers duly approved by the General Manager, the General Counsel, or the Auditor, as to matters within or under the jurisdiction of each respectively.

PART 184—METHODS, PROCEDURES AND FORMS

§ 184.1 *Payment of indebtedness due Corporation with HOLC bonds.* Receipts for HOLC bonds tendered as payments by debtors shall be for the par value of such bonds, less the value of any detached coupons maturing subsequent to the date of the call for redemption of the particular series of the bonds from which the coupons were detached. The value of any coupons maturing on and prior to the call date of such bonds shall be included in the receipt therefor.

§ 184.2 *Extensions of accounts.* Extensions of time for the payment of any indebtedness due the Corporation, including principal, interest, and advances, or the unpaid balance of any account, may be granted by the Corporation: *Provided, however* That in no case shall the term of repayment exceed 25 years from the date of the original loan, or 20 years from the date of the sales instrument, or June 12, 1961, whichever is shorter: *And provided further*, That the home owner, in connection with the granting of an extension, shall execute an agreement with the Corporation authorizing the establishment and

maintenance of a Tax and Insurance Account. The instruments used in granting an extension shall provide for monthly installments based upon the rate of interest applicable to the original obligation. Regardless of the rate of interest stipulated in the extension instrument, the Corporation will accept interest at the rate provided in the original obligation or at such lower rate as may, from time to time, be acceptable to the Corporation.

§ 184.3 *Interest rate on home owners' indebtedness.* Interest at the rate of 4½%, as heretofore accepted on payments becoming due after October 16, 1939, shall continue until further notice to be accepted on the indebtedness of a home owner to Home Owners' Loan Corporation, arising from a loan advance or sale of property, which carries an interest rate of 5% or 6%.

§ 184.4 *Payment in full of money accounts due Corporation.* Payment in full of any money account due the Corporation may be made at any time. Such payment in full may be accomplished through an escrow agent selected by the debtor and acceptable to the Corporation at the exclusive cost and expense of the debtor or other person paying the debt.

§ 184.5 *Assignment of indebtedness due Corporation.* The assignment of any indebtedness due the Corporation may be authorized whenever the General Manager determines that such assignment is in the best interests of the Corporation. Assignments of indebtedness, when made, shall be: (a) Without recourse to or on Home Owners' Loan Corporation; (b) subject to the right of persons liable to pay any mortgage, bond or note indebtedness to the Corporation, to discharge the said mortgage, bond or note indebtedness with bonds of the Corporation at their face value; (c) subject to the requirement that interest on the indebtedness shall not be charged at a rate greater than the rate of interest being accepted by the Corporation on its mortgage, bond or note indebtedness at the time of the assignment.

§ 184.6 *Sale or other disposition of real or personal property.* The Corporation shall dispose of all real property, including personal property incident to or related to the use and enjoyment of such real property as rapidly and upon such terms as are consistent with the best interests of the Corporation at public or private sale. Personal property not affixed to a particular property shall be sold for cash only. Real estate, including personal property affixed thereto, may be sold either for cash or on terms. Any unpaid portion of the purchase price in a sale on terms may be secured by a note, bond, mortgage, deed of trust, trust deed, installment contract, lease with option to purchase or other security instrument legally appropriate for use in the jurisdiction wherein the real property is situate. In sales on terms, all sums payable to the Corporation under any security instrument or instruments shall be payable in monthly installments from the commencement of

the unpaid obligation over a term ending not later than June 12, 1961, and shall bear interest at the rate of 4½% on unpaid balances.

(Secs. 4 (a) and (k) 48 Stat. 129, 132, 643, 647; 12 U. S. C. and Sup. 1463; Reorganization Plan No. 3 of 1947, 12 F. R. 4981)

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE,
Secretary.

[F. R. Doc. 48-11165; Filed, Dec. 22, 1948;
9:07 a. m.]

Chapter II—Federal Housing Administration

Subchapter C—Mutual Mortgage Insurance

PART 221—MUTUAL MORTGAGE INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE COVERING ONE TO FOUR FAMILY DWELLINGS

FEE TO ACCOMPANY APPLICATION

Section 221.11 (formerly § 521.11) is hereby amended to read as follows:

§ 221.11 *Fee to accompany application.* Applications filed for a firm or a conditional commitment on or after January 1, 1949 must be accompanied by the mortgagee's check for the sum of twenty dollars (\$20.00) to cover the cost of processing by the Commissioner, except that any application for an increase in the amount of a firm or conditional commitment issued pursuant to an application filed prior to January 1, 1949, may be processed without payment of any additional fee, and any applications to convert a conditional commitment issued pursuant to an application filed prior to January 1, 1949, to a firm commitment must be accompanied by the mortgagee's check for the difference between the fee computed at three dollars (\$3.00) per thousand dollars (\$1,000) and the amount theretofore paid.

If an application is refused as a result of preliminary examination by the Commissioner, the fee will be returned to the applicant, but no portion of the fee will be returned after further work has been performed following the preliminary examination.

If the application is made on behalf of a veteran of World War II, for the insurance of a mortgage to refinance an existing insured mortgage which is in default, by reason of his military service, the fee herein provided may be waived by the Commissioner if he finds that the collection of such fee would be inequitable under the particular circumstances of the transaction.

This amendment is effective with respect to all applications filed on or after January 1, 1949.

Issued at Washington, D. C., December 15, 1948.

FRANKLIN D. RICHARDS,
Federal Housing Commissioner.

[F. R. Doc. 48-11179; Filed, Dec. 22, 1948;
8:46 a. m.]

Subchapter H—War Housing Insurance

PART 276 — WAR HOUSING INSURANCE;
ELIGIBILITY REQUIREMENTS OF MORT-
GAGE COVERING ONE TO FOUR FAMILY
DWELLINGS

FEE TO ACCOMPANY APPLICATION

Section 276.14 (formerly § 576.14) is hereby amended to read as follows:

§ 276.14 *Fee to accompany application.* Applications filed for a firm or a conditional commitment on or after January 1, 1949 must be accompanied by the mortgagee's check for the sum of twenty dollars (\$20.00) to cover the cost of processing by the Commissioner, except that any application for an increase in the amount of a firm or conditional commitment issued pursuant to an application filed prior to January 1, 1949, may be processed without payment of any additional fee, and any applications to convert a conditional commitment issued pursuant to an application filed prior to January 1, 1949, to a firm commitment must be accompanied by the mortgagee's check for the difference between the fee computed at three dollars (\$3.00) per thousand dollars (\$1,000) and the amount theretofore paid.

If an application is refused as a result of preliminary examination by the Commissioner, the fee will be returned to the applicant, but no portion of the fee will be returned after further work has been performed following the preliminary examination.

If the application is made on behalf of a veteran of World War II, for the insurance of a mortgage to refinance an existing insured mortgage which is in default, by reason of his military service, the fee herein provided may be waived by the Commissioner if he finds that the collection of such fee would be inequitable under the particular circumstances of the transaction.

This amendment is effective with respect to all applications filed on or after January 1, 1949.

Issued at Washington, D. C., December 15, 1948.

FRANKLIN D. RICHARDS,
Federal Housing Commissioner.

[F. R. Doc. 48-11180; Filed, Dec. 22, 1948; 8:46 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue,
Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 5679]

PART 35—EXCESS PROFITS TAX; TAXABLE
YEARS BEGINNING AFTER DECEMBER 31,
1941EXTENSION OF TIME FOR ASSESSMENT OF
DEFERRED EXCESS PROFITS TAX

On October 8, 1948, notice of proposed rule making regarding the extension of time for assessment of deferred excess profits tax was published in the FEDERAL REGISTER (13 F. R. 5882). No objection to the rules proposed having been received, the following amendments to Regulations 112 (26 CFR, Part 35) are

hereby adopted. The amendments are designed to conform Regulations 112 to section 3 of Public Law 635 (80th Congress) approved June 12, 1948.

PARAGRAPH 1. There is inserted immediately before § 35.710-1 (26 CFR 35.710-1) the following:

SEC. 3. EXTENSION OF TIME FOR ASSESSMENT OF DEFERRED EXCESS PROFITS TAX. (PUBLIC LAW 635 (80TH CONGRESS), APPROVED JUNE 12, 1948)

(a) Section 710 (a) (5) of the Internal Revenue Code is hereby amended by adding at the end thereof the following: "Notwithstanding any other provision of law or rule of law, to the extent that any amount of tax remaining unpaid pursuant to this paragraph is in excess of the reduction in tax finally determined under section 722, such excess may be assessed at any time before the expiration of one year after such final determination."

(b) The amendment made by this section shall be effective as if made by section 222 (b) of the Revenue Act of 1942.

SEC. 201. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (REVENUE ACT OF 1942, TITLE II—APPLICABLE TO SECTION 222 (b), REVENUE ACT OF 1942)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 2. Section 35.710-5, as amended by Treasury Decision 5490, approved January 24, 1946 (26 CFR 35.710-5), is further amended by adding at the end thereof the following new paragraph:

If the taxpayer defers under section 710 (a) (5) payment of an amount in excess of the reduction in tax finally determined under section 722, such excess may be assessed at any time before the expiration of one year after such final determination. Such assessment may be made regardless of whether the assessment of a deficiency for such taxable year is otherwise barred by the running of any period of limitations, by the decision of any court, including The Tax Court, or by any other provision (such as section 272 (f)) or rule of law. The reduction in tax under section 722 is finally determined, in cases in which the Commissioner's action is subject to review by The Tax Court under section 732, upon the expiration of the period for filing petition for review with The Tax Court or, if such petition is filed, upon the decision of The Tax Court becoming final, and in all other cases upon the Commissioner's sending notice by registered mail to the taxpayer of his final action on the application for relief under section 722. If the Commissioner should, at the request of the taxpayer, agree because of unusual circumstances to reconsider his action on an application, the immediately preceding sentence shall be applied with respect to the Commissioner's second determination.

PAR. 3. Section 35.729-2 (26 CFR 35.729-2) is amended by adding at the end thereof the following new sentence: "For special rules with respect to cases in which the payment of excess profits tax is deferred under section 710 (a) (5), see § 35.710-5."

(Sec. 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62) as made applicable by section 729 (a) of the

Internal Revenue Code (54 Stat. 989; 26 U. S. C. 729 (a)))

Because the amendments made by this Treasury decision conform Regulations 112 to the provisions of section 3 of Public Law 635 (80th Congress), approved June 12, 1948, which provisions are applicable to taxable years beginning after December 31, 1941, this Treasury decision is not subject to the effective date limitation of section 4 (c) of the Administrative Procedure Act, approved June 11, 1946.

[SEAL] FRED S. MARTIN,
*Acting Commissioner of
Internal Revenue.*

Approved: December 16, 1948.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.
[F. R. Doc. 48-11185; Filed, Dec. 22, 1948; 8:51 a. m.]

TITLE 31—MONEY AND
FINANCE: TREASURY

Subtitle A—Office of the Secretary

PART 12—ORGANIZATION AND FUNCTIONS OF
THE COMMITTEE ON PRACTICE

Section 12.3 is hereby amended to read as follows:

§ 12.3 *Information, requests and submittals.* The public may secure information from, or make submittals or requests to, the Committee on Practice, Treasury Department, Washington, D. C., by personal appearance, by telephone, or by written communication.

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.
[F. R. Doc. 48-11186; Filed, Dec. 22, 1948; 8:52 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter XXIV—Department of State,
Disposal of Surplus Property

[Departmental Reg. 108.83]

PART 8501—DELEGATION OF AUTHORITY TO
THE FOREIGN LIQUIDATION COMMISSIONER
AND THE DEPUTY FOREIGN LIQUIDA-
TION COMMISSIONER

Section 8501.3 of Departmental Regulation 108.43 (12 F. R. 2252), is hereby revised to read as set forth hereunder.

§ 8501.3 *Authority to designate deputies and other officers—(a) Deputies and assistants.* The Commissioner is authorized, with the approval of the Assistant Secretary for Economic Affairs, to designate additional Deputy Commissioners, who may in the order prescribed in the instrument of designation exercise all of the authority and perform all of the functions hereunder of the Commissioner in his absence, and one or more Assistant Commissioners, who may in the order prescribed in the instrument of appointment exercise all of the authority and perform all of the functions of the Commissioner in this part in the absence of the Commissioner and the Deputy Commissioner.

(b) *Other delegations.* The Commissioner is authorized to designate field representatives and to delegate all or

any part of his authority and functions in this part hereunder to such representatives, and to any United States Government agency, with the consent of such agency, or, subject to such conditions, directions, and restrictions as may be prescribed by the Commissioner or his authorized representatives, either in the instrument of delegation or otherwise from time to time, to a person under the complete control of such Government agency. Such delegations may authorize successive redelegations according to the terms of the instrument of delegation. Under this authorization the following types of delegations have been made:

(1) Central Field Commissioners, Field Commissioners, and Special Representatives have been delegated the power, for or on behalf of the Foreign Liquidation Commissioner, (i) to dispose of all surplus property located in their respective areas for the disposal of which the Department of State may be responsible; (ii) to perform all acts necessary to accomplish the expeditious disposal of such property, including the execution of contracts and the employment of personnel and the procurement of materials within the limits of funds available to their respective areas for such purposes; and (iii) to redelegate to deputies and assistants all or any part of their powers with regard to all or any part of the area or property under their jurisdiction in accordance with applicable directives issued by the Foreign Liquidation Commissioner.

(2) The geographic areas under the jurisdiction of the various Central Field Commissioners, Field Commissioners, and Special Representatives are as follows:

(i) *Central Field Commissioner for China, Japan, and Northern Pacific.* Those areas comprising China, Okinawa, Guam, Saipan, Tinian, Eniwetok, Marcus, Kwajalein, Los Negros, Ulithi, Majuro, Makin, Manus, Peleliu, Finschaven, Iwo Jima, Wake, and Roi; Korea and Japan and all other island areas in the Pacific north of 22 degrees north latitude, excluding, however, the Hawaiian Islands and the Aleutian Islands.

(ii) *Central Field Commissioner for Philippines and Southern Pacific.* (a) Those areas comprising the Philippine Islands, Australia, and all other island areas in the Pacific south of 22 degrees north latitude and west of 141 degrees west longitude, excluding, however, the Hawaiian Islands, Guam, Saipan, Tinian, Eniwetok, Kwajalein, Los Negros, Ulithi, Majuro, Makin, Manus, Peleliu, Finschaven, Wake, and Roi; (b) those areas comprising French Indo-China, Thailand, and Malaya; (c) the India-Burma Theater comprising the area lying west of 100 degrees east longitude, and east of 60 degrees east longitude, excluding, however, China and Iran.

(iii) *Field Commissioner for Canada: North Atlantic.* Those areas lying outside the continental United States and Alaska east of 141 degrees west, west of 32 degrees west, and north of 33 degrees north, including, however, all of Greenland together with Iceland, Bermuda, and the Bahamas.

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(iv) *Special Representative for Latin America and the Antilles.* Those areas lying outside the continental United States and Puerto Rico east of 141 degrees west, west of 32 degrees west, and south of 33 degrees north, excepting, however, Bermuda and the Bahamas.

(v) *Central Field Commissioner for Europe.* Those areas lying east of 32 degrees west, west of 60 degrees east, and north of 14 degrees south, excluding, however, (a) Greenland and Iceland; (b) areas east of 32 degrees east and south of 37 degrees north; and (c) Iran, Iraq, Syria, Turkey, Egypt, Anglo-Egyptian Sudan, Uganda, Tanganyika, Northern Rhodesia, and Angola.

(3) The Field Commissioner for Military Programs has been delegated the power, for or on behalf of the Foreign Liquidation Commissioner, to dispose of to other governments surplus military property located within or outside the continental United States, its territories and possessions.

(4) Sales officers have been delegated limited authority to execute contracts for the sale and transfer of surplus property in accordance with their delegated authority. Sales officers include those persons who have been delegated authority to negotiate and execute contracts for the sale of specific surplus property, specific types of surplus property, or all surplus property located in specified areas.

(5) The names of all persons holding final authority to act for or on behalf of the Foreign Liquidation Commissioner with respect to the matters described herein are on file in the Office of the Foreign Liquidation Commissioner, Department of State, Washington 25, D. C.

(c) The Commissioner is also authorized to designate to serve, in such representative capacities as may be deemed necessary, such officers and enlisted personnel of military or naval establishments as may be detailed to the Department of State pursuant to Executive Order 9630, dated September 27, 1945.

This revision of this part shall become effective when published in the FEDERAL REGISTER.

Approved: December 17, 1948.

[SEAL] ROBERT A. LOVETT,
Acting Secretary of State.

[F. R. Doc. 48-11182; Filed, Dec. 22, 1948;
8:43 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Appendix—Public Land Orders

[Public Land Order 537]

ALASKA

PARTIALLY REVOKING PUBLIC LAND ORDER NO. 225 OF APRIL 21, 1944

By virtue of the authority vested in the President by section 1 of the act of June 25, 1910, C. 421, 36 Stat. 847 (U. S. C. title 43, sec. 141), and otherwise, and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Public Land Order No. 225 of April 21, 1944, temporarily withdrawing certain public lands in Alaska for classification, is hereby revoked so far as it affects the following-described lands:

PAXSON LAKE

U. S. Surveys Nos. 2693, 2697, 2698, and 2699, on east shore of Paxson Lake;

U. S. Surveys Nos. 2704, 2705, 2706, 2707, and 2717, on east shore of Paxson Lake and west side of Richardson Highway.

The areas described aggregate 33.43 acres.

SUMMIT LAKE

U. S. Surveys Nos. 2700 and 2701, on north-easterly side of Summit Lake and Richardson Highway;

U. S. Surveys Nos. 2702 and 2703, on north-easterly side of Summit Lake and south side or southeast side of Richardson Highway.

The areas described aggregate 12.23 acres.

Lot 1, U. S. Survey No. 2707, containing 4.09 acres, is hereby reserved for public purposes.

The lands will be made subject to disposition by the Director of the Bureau of Land Management, Department of the Interior, under the appropriate public-land laws pursuant to an order to be published simultaneously herewith. Such order will provide for the preference rights to which veterans of World War II and certain others are entitled under the act of September 27, 1944, 53 Stat. 747, as amended (43 U. S. C. sec. 279, et seq.).

C. GIRARD DAVIDSON,
Assistant Secretary of the Interior.

DECEMBER 15, 1948.

[F. R. Doc. 48-11177; Filed, Dec. 22, 1948;
8:46 a. m.]

TITLE 44—PUBLIC PROPERTY AND WORKS

Chapter III—Library of Congress

REVISION OF CHAPTER

Chapter III is revised to read as set forth below. In this revision, codification of Part 300, Organization, is discontinued. Future amendments to the statement of organization will appear in the Notices section of the FEDERAL REGISTER.

PART 301—PROCEDURES

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|--------|--|
| Sec. | Applications for employment. |
| 301.2 | Order forms for photostats. |
| 301.3 | Public use of reading rooms; service of the general collections. |
| 301.4 | Use of reading rooms for serials; service of materials. |
| 301.5 | Loans of library materials. |
| 301.6 | Loans of library materials for the blind. |
| 301.7 | Use of Aeronautics Reading Room. |
| 301.8 | Reference and bibliographic assistance; use of card catalogs; assistance by consultants. |
| 301.9 | Service of materials in the Hispanic Foundation. |
| 301.10 | Investigation and use of manuscript materials. |
| 301.11 | Service of maps. |
| 301.12 | Use and service of music materials. |
| 301.13 | Use and service of Orientalia. |
| 301.14 | Use of prints and photographs collections. |
| 301.15 | Service of rare books. |
| 301.16 | Service of microfilms and microprint materials. |

- Sec.
 301.17 Use of law reading rooms; circulation of legal materials; reference inquiries.
 301.18 Offers of materials for purchase; evaluations.
 301.19 Card distribution.

AUTHORITY: §§ 301.1 to 301.19 issued under sec. 1, 29 Stat. 544, 546; 2 U. S. C. 136.

§ 301.1 *Application for employment.* Although the Library of Congress is not an agency coming within the competitive civil service system, the application form used is the standard application form for employment in the Federal Civil Service (Standard Form No. 57). The form may be secured by applying at the Library's Personnel Division, at a regional Civil Service Commission office, or by addressing: Personnel Division, Library of Congress, Washington 25, D. C.

§ 301.2 *Order forms for photostats.* Order forms for the photocopying of certain materials in the Library, subject to prescribed contract provisions, may be applied for at the Photoduplication Service Office, or may be secured by mail by addressing: Photoduplication Service, Library of Congress, Washington 25, D. C.

§ 301.3 *Public use of reading rooms; service of the general collections.* Readers in the general reading rooms are required to submit requests for materials on forms provided for that purpose. Available materials so requested are located and delivered to readers by the staff. Subject to specified limitations, materials may be reserved for continued use. Reference assistance in the general reading rooms is provided by the General Reference and Bibliography Division. Access to the bookstacks is permitted only under regulations established by the Librarian of Congress. Applications for access are acted upon by the Chief of the Division or by other authorized officials. Study rooms, study tables, and reserved shelves are available for assignment to persons engaged in research. Applications for such assignments are acted upon by the Chief of the Division or by other authorized officials and assignments on approved applications are made on specified conditions of registration, tenure, and use.

§ 301.4 *Use of reading rooms for serials; service of materials.* Applications for materials in the custody of the Serials Division (current and unbound periodicals, bound and unbound newspapers, government documents, pamphlets, ephemera, etc., not allocated to other divisions) are submitted to the staff on forms provided for that purpose in the Division's special reading rooms. Within the resources of the staff, readers receive reference aid in the Division's collections and in government publications in the general classified collections. Access to the Division's stack areas is permitted only on the approval of the Chief or of other authorized officials. Inquiries concerning the collections and services of the Division, and requests for reference assistance may be made to the Office of the Chief of the Division.

§ 301.5 *Loans of library materials.* The Library of Congress is not a public circulating library and no material in its collections may be taken from the Library buildings except upon approval by the Chief of the Loan Division or the Director of the Reference Department. Members of Congress and their staffs and officials of Executive Departments and Agencies have the privilege of withdrawing books by virtue of their office. Subject to regulations and conditions established by the Librarian of Congress, special permits to withdraw materials may be issued to individuals and institutions in and near the District of Columbia to meet particular needs. Applications for such privilege are acted upon by the Chief of the Loan Division, who is responsible for the interpretation and enforcement of the regulations governing loans. Except for members of Congress and their staffs and officials of Executive Departments and Agencies, persons having the borrowing privilege must present materials to be borrowed to the Loan Division for recording and for issuance of a door pass. Borrowers must present the materials for inspection to the guards on duty at the exits to the Library buildings and must surrender their door passes upon leaving the buildings. Materials are issued on interlibrary loan to other libraries outside of the District of Columbia under regulations established by the Librarian of Congress. Applications for such loans and requests for information about interlibrary loans and the loan service generally should be directed to the Chief of the Loan Division.

§ 301.6 *Loans of library materials for the blind.* The Division for the Blind lends books in embossed characters and talking-book records to the adult blind under regulations and conditions of use established by the Librarian. The area to which this service is extended is limited generally to the District of Columbia, Maryland, Virginia, North Carolina and South Carolina. Inquiries by mail concerning this service should be addressed to: Chief, Division for the Blind, Washington 25, D. C.

§ 301.7 *Use of Aeronautics Reading Room.* Readers requesting reference and bibliographic assistance in aeronautics and related sciences are served in the Aeronautics Reading Room, to which are delivered the available materials required in their work. Applications for access to the collection on aeronautics in the bookstacks are referred to the Chief of the Stack and Reader Division for decision. Admission to the enclosure in which current unbound aeronautical periodicals are shelved must be approved by the Chief of the division or his assistant.

§ 301.8 *Reference and bibliographic assistance; use of card catalogs; assistance by consultants.* Readers requesting reference and bibliographic assistance in the general collections and aid in the use of the card catalogs apply to the staff of the Division on duty in the general reading rooms. Requests for special assistance provided by the consultant service, the special projects, and the bibliographic unit are referred to the appro-

priate officials. The services provided in response to reference and bibliographic requests received by telephone or by mail are governed by policies and regulations established by the Librarian of Congress.

§ 301.9 *Service of materials in the Hispanic Foundation.* Services to readers requesting reference and bibliographic assistance in Hispanic culture, except in subject fields specifically assigned to other units of the Library, are provided in the Hispanic Room to which are delivered available materials required in their work. Applications for access to the bookstacks are referred to and acted upon by the Chief of the Stack and Reader Division.

§ 301.10 *Investigation and use of manuscript materials.* Services to readers in the Manuscripts Reading Room are provided in accordance with prescribed conditions of registration for investigation and of use of materials and information therefrom in the custody of the Manuscripts Division. The use of such materials is restricted to the Manuscripts Reading Room. Investigators requiring materials from other collections in the Library for use with materials in the custody of the Manuscripts Division may requisition and use such materials in the Manuscripts Reading Room insofar and on such conditions as they are available for use therein.

§ 301.11 *Service of maps.* Services to readers in the Maps Reading Room are provided in accordance with prescribed conditions of use of the materials in the custody of the Maps Division. Special facilities are provided for use of maps. Investigators requiring materials in other collections of the Library for use with materials in the custody of the Maps Division may requisition and use such materials in the Maps Reading Room insofar and on such conditions as they are available for use therein.

§ 301.12 *Use and service of music materials.* Services to readers in the Music Reading Room are provided in accordance with prescribed conditions of use of the materials in the custody of the Music Division. Investigators requiring materials from other collections of the Library for use with materials in the custody of the Music Division may requisition and use such materials in the Music Reading Room insofar and on such conditions as they are available for use therein. Applications for access to the bookstacks are acted upon by the Chief of the Music Division. Recordings of folk music may be purchased from the Recording Laboratory of the Music Division. Catalogs are available upon application thereto.

§ 301.13 *Use and service of Orientalia.* Services to readers in the Orientalia Reading Room are provided in accordance with prescribed conditions of use of the materials in the custody of the Orientalia Division (materials, written or printed, in Chinese, Japanese, Semitic, Arabic, Persian, Turkish, etc.) Readers requiring reference and bibliographic assistance in all fields of Oriental culture are served in the Orientalia Reading Room, to which are delivered materials

from the general collections insofar and on such conditions as they are available for use therein.

§ 301.14 *Use of prints and photographs collections.* Services to readers requiring reference and bibliographic assistance in the collection of prints and photographs are provided in the Prints and Photographs Reading Room in accordance with prescribed conditions for use of the materials as determined by the Chief of the Division. Investigators requiring materials from other collections of the Library for use with materials in the custody of the Prints and Photographs Division may requisition and use such materials in the divisional reading room insofar and on such conditions as they are available for use therein. Prints from photographic negatives, and photocopies of prints and photographs in the Division's collection, when not subject to copyright or other restrictions, are procurable at specified rates from the Photoduplication Service of the Library.

§ 301.15 *Service of rare books.* Services to readers in the Rare Books Reading Room are provided in accordance with prescribed conditions of registration for investigation and of use of the materials in the custody of the Rare Books Division. Investigators requiring materials from other collections of the Library for use with materials in the custody of the Rare Books Division may requisition and use such materials in the Rare Book Room insofar and on such conditions as they are available for use therein.

§ 301.16 *Service of microfilms and micro-print materials.* Services to readers in the Microfilm Reading Room are provided in accordance with prescribed conditions of use of the microfilm and micro-print materials in the custody of the Room and of operations of reading

machines. Investigators requiring materials from other collections of the Library for use with materials in the custody of the Microfilm Reading Room may requisition and use such materials in the Microfilm Reading Room insofar and on such conditions as they are available for use therein.

§ 301.17 *Use of law reading rooms; circulation of legal materials; reference inquiries.* (a) The reading rooms of the Law Library are free and accessible to the public without formality. Those volumes which are not on the open shelves may be obtained for reading room use by filling out and presenting to a reference assistant a slip provided for the purpose, indicating thereon the author and title of the work desired and the name and address of the reader.

(b) The collections of the Law Library are available in part, for use outside the Library for a limited period, to authorized borrowers in Washington, D. C., and through inter-library loan to the general public residing in other parts of the country, in conformity with Loan Division procedures. Books which are lent for use outside of the Law Library reading rooms must be charged in the Law Library as well as in the Loan Division, where a formal charge is made. (See § 301.5)

(c) Reference inquiries, and requests for service, which cannot be satisfied by other libraries or scholarly institutions nearer the inquirer, may be submitted to the Library of Congress which will respond to them insofar and on such conditions as personnel can be made available.

§ 301.18 *Offers of materials for purchase; evaluations.* The Library solicits offers of library materials (including books, periodicals, pamphlets, manuscripts, maps, views, music, recordings, motion pictures, photographs, posters,

fine prints, etc.). Printed lists or catalogs of library materials offered should be submitted in three to five copies, depending on the number of subjects or forms of material included. Typewritten or manuscript lists should be submitted in duplicate. Offers should specify author, title, place of publication, publisher, date of publication, whether or not copyrighted, edition note, series note, binding, number of pages or volumes, and price of each item offered. All offers of material and all other correspondence concerning the acquisition by purchase of materials for the Library's collections (including invoices, statements, and questions concerning payment for material purchased by the Library) should be addressed to: Order Division, Library of Congress, Washington 25, D. C.

Materials should not be sent "on approval" unless specifically requested by the Order Division.

Reference inquiries as to the probable present cost and possible source for purchase or sale of a specific book or other piece of library material should also be directed to the above address. An exact transcription of the title page and any additional information such as edition, series note or copyright date should be submitted with the inquiry.

§ 301.19 *Card distribution.* Printed catalog cards are supplied under the procedures specified in the latest edition of the Handbook of Card Distribution, supplemented by emendations in the bulletin, Cataloging Service, published by the Library of Congress, Processing Department. Cards may be ordered by author and title or by serial number. Card order slips required for this purpose are furnished to subscribers upon request.

VERNER W. CLAPP,
Acting Librarian of Congress.

[F. R. Doc. 49-11123; Filed, Dec. 22, 1949;
8:53 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR Bureau of Land Management

[5073; 10928; 1966031]

ALASKA

OPENING OF PUBLIC LANDS; FILING OF PLATS OF UNITED STATES SURVEYS; ALASKA SMALL TRACT CLASSIFICATION NO. 3

DECEMBER 15, 1948.

1. The following-described public lands in Alaska, restored from withdrawal by Public Land Order No. 537¹ of December 15, 1948, will be opened to application and other forms of appropriation on the dates and in the manner provided in paragraph 4 of this order.

PAXSON AND SUMMIT LAKES

U. S. Survey No. 2696, lots 1 to 4, inclusive, area 2.33 acres, on east shore of Paxson Lake;

U. S. Survey No. 2697, lots 1 to 5, inclusive, area 2.39 acres, on east shore of Paxson Lake;

U. S. Survey No. 2698, lots 1 to 5, inclusive, area 2.27 acres, on east shore of Paxson Lake;

U. S. Survey No. 2699, lots 1 to 4, inclusive, area 1.68 acres, on east shore of Paxson Lake;

U. S. Survey No. 2700, lots 1, 2, and 3, area 3.67 acres, on northeasterly side of Summit Lake and Richardson Highway;

U. S. Survey No. 2701, lots 1 and 2, area 2.48 acres, on northeasterly side of Summit Lake and Richardson Highway;

U. S. Survey No. 2702, lots 1 and 2, area 2.38 acres, on northeasterly side of Summit Lake and south side of Richardson Highway;

U. S. Survey No. 2703, lots 1, 2, and 3, area 3.73 acres, on northeasterly side of Summit Lake and southeast side of Richardson Highway;

U. S. Survey No. 2704, lots 1, 2, and 3, area 6.98 acres, on east shore of Paxson Lake and west side of Richardson Highway;

U. S. Survey No. 2705, lots 1, 2, and 3, area 7.64 acres, on east shore of Paxson Lake and west side of Richardson Highway;

U. S. Survey No. 2706, lots 1 and 2, area 3.23 acres, on east shore of Paxson Lake and west side of Richardson Highway;

U. S. Survey No. 2707, lots 2 and 3, area 2.40 acres, on east shore of Paxson Lake and west side of Richardson Highway;

U. S. Survey No. 2717, lots 1, 2, and 3, area 2.91 acres, on east shore of Paxson Lake and west side of Richardson Highway.

The land at Summit Lake lies approximately 168 miles southeast of Fairbanks via the Richardson Highway and about 278 miles northeast of Anchorage via Anchorage-Palmer, Glenn, and Richardson Highways. Paxson Lake is located about seven miles south of Summit Lake. The elevation at Summit Lake is about 3,000 feet, which is above timber line, and at Paxson Lake about 2,700 feet.

Paxson Lake is approximately 12 miles long and from one-quarter to one mile wide. Summit Lake is somewhat smaller. Both are noted for trout fishing and boating, Paxson Lake being better for sport fishing. Big game hunting is good in the surrounding area, particularly bear and caribou.

The land is level to very gently sloping in topography. The soil is sandy and silt

¹ See F. R. Doc. 48-11177, under Title 43, Chapter I, Appendix, *supra*.

loam containing considerable gravel and rocks adjacent to the highway and frozen subsoil near the lake shores. The cover consists of scattered black spruce, willow, and buckbrush. The land adjacent to the lake shores is covered with a heavy layer of moss.

2. Notice is given that the plats of the above surveys and of lot 1, U. S. Survey No. 2707, accepted on January 9, and March 25 and 26, 1948, will be officially filed in the District Land Office at Anchorage, Alaska, effective at 10:00 a. m., on February 16, 1949. Lot 1, U. S. Survey No. 2707, 4.00 acres, was reserved for public purposes by the public land order mentioned in paragraph 1 hereof.

3. Pursuant to the authority contained in 43 CFR 4.275 (b) (3) (Order No. 2325, May 24, 1947 (12 F. R. 3566)) I hereby classify the above-described unreserved public lands as chiefly valuable for lease or sale under the Small Tract Act of June 1, 1938 (52 Stat. 609) as amended July 14, 1945 (59 Stat. 467, 43 U. S. C. sec. 682a), as home, cabin, camp, health, convalescent, recreational, or business sites.

4. This order shall become effective at 10:00 a. m. on February 16, 1949. At that time the lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-day period for preference-right filings.* For a period of 90 days from February 16, 1949, to May 18, 1949, inclusive, the public lands affected by this order shall be subject to (1) application under the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 U. S. C. 682a) as amended, by qualified veterans of World War II, for whose service recognition is granted by the act of September 27, 1944 (58 Stat. 747, 43 U. S. C. 279-283) subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications by such veterans shall be subject to claims of the classes described in subdivision (2).

(b) *Twenty-day advance period for simultaneous preference-right filings.* For a period of 20 days from January 27, 1949, to February 15, 1949, inclusive, such veterans and persons claiming preference rights superior to those of such veterans, may present their applications, and all such applications, together with those presented at 10:00 a. m. on February 16, 1949, shall be treated as simultaneously filed.

(c) *Date for non-preference-right filings authorized by the public-land laws.* Commencing at 10:00 a. m. on May 19, 1949, any of the lands remaining unappropriated shall become subject to such application, petition, location, or selection by the public generally as may be authorized by the public-land laws.

(d) *Twenty-day advance period for simultaneous non-preference-right filings.* Applications by the general public may be presented during the 20-day period from April 29, 1949, to May 18,

1949, inclusive, and all such applications, together with those presented at 10:00 a. m. on May 19, 1949, shall be treated as simultaneously filed.

5. Veterans shall accompany their applications with certified copies of their certificates of discharge, or other satisfactory evidence of their military or naval service. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated affidavits in support thereof, setting forth in detail all facts relevant to their claims.

6. Applications for these lands, which shall be filed in the District Land Office, Anchorage, Alaska, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations (Circular No. 324, May 22, 1914, 43 L. D. 254) to the extent that such regulations are applicable. Applications under the Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Part 257 of that Title.

7. The unreserved public lands will be leased or sold in accordance with the official United States Surveys, Nos. 2696 to 2707, inclusive, and No. 2717, Alaska. The schedule of sale prices, which include the cost of survey, will be on file in the District Land Office at Anchorage. Copies of the plate showing the lots, one sheet for each United States Survey, may be purchased from that office at 50 cents per sheet.

8. Lessees under the Small Tract Act of June 1, 1938, as amended, will be required, within a reasonable time after execution of the lease, to construct upon the leased land, to the satisfaction of the Director, Bureau of Land Management, or other authorized officer, improvements which, in the circumstances, are presentable, substantial, and appropriate for the use for which the lease is issued. No buildings may be constructed within 50 feet of any outside boundary of land included in a small tract lease, without the approval of the Director, Bureau of Land Management.

Leases will be for the period requested, not exceeding five years, at an annual rental of \$5.00 for home, cabin, camp, health, convalescent, and recreational sites, payable in advance for the entire lease period. The rental for business sites will be in accordance with a schedule of graduated charges based on gross income, with a minimum charge of \$20.00 payable yearly in advance, the remainder, if any, to be paid within 30 days after each yearly anniversary of the lease. Leases will contain an option to purchase clause, application for which may be filed at or after the expiration of one year from the date the lease is issued.

9. Inquiries concerning these lands should be addressed to the District Land Office, Anchorage, Alaska.

MARION CLAWSON,
Director.

[F. R. Doc. 48-11178; Filed, Dec. 22, 1948;
8:46 a. m.]

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

FAIR AND REASONABLE WAGE RATES WITH RESPECT TO 1949 CROP OF SUGAR BEETS

NOTICE OF HEARINGS AND DESIGNATION OF PRESIDING OFFICERS

Pursuant to the authority contained in subsections (c) (1) and (c) (2) of section 301 of the Sugar Act of 1948 (61 Stat. 929), notice is hereby given that public hearings will be held as follows:

At Detroit, Michigan, in Court Room 859 of the Federal Building on January 3, 1949, at 10:00 a. m.,

At Greeley, Colorado, in the Council Room of the City Hall on January 5, 1949, at 10:00 a. m.,

At Salt Lake City, Utah, in Room 230 of the Federal Building on January 7, 1949, at 10:00 a. m., and

At Billings, Montana, in the Commercial Club Building on January 10, 1949, at 10:00 a. m.

The purpose of such hearings is to receive evidence likely to be of assistance to the Secretary of Agriculture in determining (1) pursuant to the provisions of section 301 (c) (1) of the said act, fair and reasonable wage rates for persons employed in the production, cultivation, or harvesting of the 1949 crop of sugar beets on farms with respect to which applications for payments under the said act are made, and (2), pursuant to the provisions of section 301 (c) (2) of the said act, fair and reasonable prices for the 1949 crop of sugar beets to be paid under either purchase or toll agreements by processors who, as producers, apply for payments under the said act. In the interest of obtaining the best possible information, all interested persons are requested to appear to express their views and present appropriate data in regard to the foregoing matters.

Such hearings, after being called to order at the time and places mentioned herein, may be continued from day to day within the discretion of the presiding officers, and may be adjourned to a later day or a different place without notice other than the announcement thereof at the hearings by the presiding officers.

Lawrence Myers, Ward S. Stevenson, Anthony R. DeFelice, and Thomas H. Allen are hereby designated as presiding officers to conduct either jointly or severally the foregoing hearings.

Issued this 21st day of December 1948.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 48-11203; Filed, Dec. 22, 1948;
9:05 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-1156]

MICHIGAN-WISCONSIN PIPE LINE CO. ET AL.

NOTICE OF APPLICATION

DECEMBER 16, 1948.

Michigan-Wisconsin Pipe Line Company, Michigan Consolidated Gas Com-

pany and Austin Field Pipe Line Company, Docket No. G-1156.

Notice is hereby given that on December 2, 1948, Michigan-Wisconsin Pipe Line Company (Michigan-Wisconsin) a Delaware corporation, Michigan Consolidated Gas Company (Michigan Consolidated) a Michigan corporation and Austin Field Pipe Line Company (Austin Company) a Michigan corporation, each of which has its principal place of business at Detroit, Michigan, filed a joint application for certificates of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing:

(A) Michigan-Wisconsin. 1. To construct and operate six compressor stations on its main interstate natural-gas transmission pipe line having a total of 48,000 horsepower. Such stations to be in lieu of two proposed stations, having a total of 15,600 horsepower, previously authorized at Docket No. G-669.

2. To construct and operate a section of its main interstate natural-gas transmission pipe line extending from the Missouri River crossing near Rulo, Nebraska, to the so-called "Wisconsin Junction," near Millbrook, Illinois, at a location south of that heretofore authorized at Docket No. G-669.

3. To construct and operate a section of its main interstate natural-gas transmission pipe line extending from a point in the Hugoton field, near Guymon, Texas County, Oklahoma, to the so-called "Wisconsin Junction" of 24-inch O. D. steel pipe with $\frac{5}{16}$ -inch wall thickness in lieu of the 26-inch steel pipe with $\frac{1}{4}$ -inch wall thickness heretofore authorized at Docket No. G-669.

4. To operate, under lease from Michigan Consolidated, the Austin and Goodwell storage fields, both in Michigan, including existing facilities therein and additional facilities proposed to be constructed by Michigan Consolidated as referred to in paragraph (B) 1 hereof.

5. To operate, under lease from Michigan Consolidated, an existing 8-inch natural-gas transmission pipe line, approximately 13 miles in length, extending from the Austin Field to the Goodwell Field.

6. To operate, under lease from Austin Company, a 20-inch natural-gas transmission pipe line, approximately 13 miles in length, extending from the Austin Field to the Goodwell Field, which is proposed to be constructed by Austin Company as referred to in paragraph (C) 1 hereof.

7. To operate, under lease from Austin Company, a compressor station at the Austin Field, including the presently installed compressor units having a total of 3,000 horsepower and the additional compressor units having a total of 6,000 horsepower which Austin Company proposes to install as referred to in paragraph (C) 3 hereof.

8. To operate, under lease from Austin Company, the existing dehydration plant at the Austin Field and the dehydration plant which Austin Company proposes to construct at the Goodwell Field as referred to in paragraph (C) 4 hereof.

9. To operate, under lease from Austin Company, a check meter at the Austin Field and a check meter at the Goodwell

Field, both of which are proposed to be installed by the Austin Company as referred to in paragraph (C) 5 hereof.

10. To install and operate a check meter at the Austin Field manifold on its natural-gas transmission pipe line.

11. To operate, under lease from Michigan Consolidated, three existing metering and regulating stations located at the Austin Field on existing natural-gas transmission pipe lines of Michigan Consolidated extending to Big Rapids, Muskegon and Grand Rapids, respectively.

12. To operate, under lease from Austin Company, a metering and regulating station to be located at the Austin Field on the existing Austin-Detroit natural-gas transmission pipe line, which station is proposed to be constructed by Austin Company as referred to in paragraph (C) 6 hereof.

(B) Michigan Consolidated. 1. To drill 13 additional wells and to enlarge the existing gathering system in the Goodwell Field, all of which are proposed to be used by Michigan-Wisconsin in gas storage operations as referred to in paragraph (A) 4 hereof.

2. To operate its below-described existing transmission pipe lines for the transportation of natural gas in interstate commerce:

(a) A 4-inch and a 6-inch line, each of which is approximately 8 miles in length, extending from the Austin Field to Big Rapids, Michigan.

(b) An 8-inch line approximately 53 miles in length extending from the Austin Field to Muskegon, Michigan.

(c) A line comprised of approximately 18 miles of 12-inch and approximately 42 miles of 10-inch pipe extending from the Austin Field to Grand Rapids, Michigan, and a 3-inch line approximately 15 miles in length extending from said 10-inch line to Greenville-Belding, Michigan.

3. To construct and operate a 4-inch loop transmission pipe line parallel to the first 9 miles of the Greenville-Belding line mentioned in paragraph (B) 2 (c) hereof.

4. To operate, under lease from the Austin Company, the existing 24-inch natural-gas transmission pipe line extending from the Austin Field approximately 140 miles to Detroit, for the transportation of natural gas in interstate commerce without restriction as to source. (Michigan Consolidated was previously authorized at Docket No. G-918 to operate this pipe line for limited purposes.)

5. To operate, under lease from the Austin Company, a 6-inch lateral transmission pipe line approximately 17 miles in length and a 12-inch lateral transmission pipe line approximately 26 miles in length extending from said Austin-Detroit line to Mount Pleasant and Ann Arbor, Michigan, respectively. Such laterals are proposed to be constructed by the Austin Company as referred to in paragraph (C) 2 hereof.

6. To operate, under lease from the Austin Company, a regulator station to be located at a point near Detroit on said Austin-Detroit line, which station is proposed to be constructed by the Austin

Company as referred to in paragraph (C) 7 hereof.

(C) Austin Company. 1. To construct the 20-inch natural-gas transmission pipeline referred to in paragraph (A) 6 hereof, which is proposed to be operated by Michigan-Wisconsin.

2. To construct the Mount Pleasant and Ann Arbor laterals referred to in paragraph (B) 5 hereof, which are proposed to be operated by Michigan Consolidated.

3. To install additional compressor units totalling 6,000 horsepower in the station at the Austin Field, which is proposed to be operated by Michigan-Wisconsin as referred in paragraph (A) 7 hereof.

4. To construct a new dehydration plant at the Goodwell Field, which is proposed to be operated by Michigan-Wisconsin as referred to in paragraph (A) 8 hereof.

5. To install at the Austin and Goodwell Fields the check meter referred to in paragraph (A) 9 hereof, which are proposed to be operated by Michigan-Wisconsin.

6. To construct at the Austin Field the metering and regulating station referred to in paragraph (A) 12 hereof, which is proposed to be operated by Michigan-Wisconsin.

7. To construct at a site near Detroit the regulator station referred to in paragraph (B) 6 hereof, which is proposed to be operated by Michigan Consolidated.

The application states that Michigan-Wisconsin has found it necessary to use 24-inch pipe in the construction of its transmission line rather than 26-inch pipe, as heretofore authorized at Docket No. G-669, because of its inability to obtain the larger size pipe or steel plate for the fabrication thereof within the next several years. Michigan-Wisconsin, it is said, has made arrangements for the purchase of steel plate and the fabrication thereof into pipe of 24-inch diameter with a wall thickness of $\frac{5}{16}$ inch. Accordingly, it proposes to operate the heavier 24-inch pipe line at a pressure of 970 pounds which will provide the same delivery capacity as the originally designed line of 26-inch diameter which was to be operated at a lower pressure.

The proposed relocation of the section of Michigan-Wisconsin's line extending from the Missouri River crossing to the "Wisconsin Junction," according to the application, will provide a better crossing of the Mississippi River and will eliminate a number of river crossings in this section.

Michigan-Wisconsin does not propose at this time to make any change in the service which it has been authorized to render by the Commission's orders at Docket No. G-669. It estimates that during the year 1951, which is expected to be the first full year of operation, the requirements of its markets will be approximately 75 billion cubic feet. The facilities heretofore authorized by the Commission, however, will have an initial capacity of approximately 47 billion cubic feet per year. Accordingly, Michigan-Wisconsin proposes to increase the compressor capacity to be installed from 15,600 horsepower, as here-

tofore authorized, to a total of 48,000 horsepower in order to enable delivery of 75 billion cubic feet per year.

The application refers to the fact that Michigan-Wisconsin was granted authorization at Docket No. G-669 to operate the Austin and Reed City Fields, under lease from Michigan Consolidated, for the storage of natural gas. Michigan Consolidated, according to the application, has since completed the acquisition of necessary storage rights in the Goodwell Field, also in Michigan. Therefore, it is now proposed that Michigan-Wisconsin, as part of its initial project, will utilize the Austin and Goodwell Fields for storage purposes. The Reed City Field will be held available for subsequent use to meet expansion of the storage requirements beyond the capacity of the Austin and Goodwell Fields.

Michigan-Wisconsin proposes to obtain its supply of natural gas from the Phillips Petroleum Company pursuant to agreements which were presented in evidence in proceedings at Docket No. G-669. In addition, the application states, certain other acreage of gas reserves has been dedicated by Phillips to Michigan-Wisconsin in a supplemental agreement dated August 9, 1948.

The estimated total over-all capital cost of the Michigan-Wisconsin facilities, as now proposed, is approximately \$88,000,000, according to the application. This cost is proposed to be financed by the sale of \$25,000,000 of common stock to the American Light & Traction Company, and the sale of \$66,000,000 of first mortgage pipe line bonds to the Metropolitan Life Insurance Company and the Mutual Life Insurance Company of New York. Such method of financing is said to have been authorized by the Securities & Exchange Commission.

The estimated cost of the proposed construction by Austin Company is approximately \$3,000,000, which is proposed to be financed from advances to the Austin Company by Michigan Consolidated, its parent.

The estimated cost of construction proposed by Michigan Consolidated is approximately \$400,000 which is planned to be financed from company funds.

Any interested State commission is requested to notify the Federal Power Commission whether the application should be considered under the cooperative provisions of § 1.37 of the Commission's rules of practice and procedure and, if so to advise the Federal Power Commission as to the nature of its interest in the matter and whether it desires a conference, the creation of a board, or a joint or concurrent hearing, together with reasons for such request.

The application of Michigan-Wisconsin Pipe Line Company, Michigan Consolidated Gas Company and Austin Field Pipe Line Company is on file with the Commission and open to public inspection. Any person desiring to be heard or to make any protest with reference to the application shall file with the Federal Power Commission, Washington 25, D. C., not later than 15 days from the date of publication of this notice in the *FEDERAL REGISTER*, a petition to intervene

or protest. Such petition or protest shall conform to the requirements of § 1.8 or § 1.10, whichever is applicable, of the Commission's rules of practice and procedure.

[SEAL]

LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-11172; Filed, Dec. 22, 1948;
8:45 a. m.]

[Docket No. E-6178]

NANTAHALA POWER AND LIGHT CO.

NOTICE OF DECLARATION OF INTENTION

DECEMBER 17, 1948.

Notice is hereby given that Nantahala Power and Light Company, of Franklin, N. C., has made a declaration of intention pursuant to section 23 (b) of the Federal Power Act (16 U. S. C. 817) to construct a water power project in Jackson County, N. C., on the West Fork of Tuckasegee River.

The proposed project (Tuckasegee) would consist of a dam 425 feet long and 85 feet high located about 0.7 mile downstream from the company's Glenville powerhouse and about 2.5 miles upstream from Tuckasegee, N. C., a reservoir having a usable storage capacity of 75 acre-feet with a draw-down of 4 feet; a tunnel 2,100 feet long; a powerhouse containing one generating unit with rated capacity of 3,600 kilovolt-amperes operating under a maximum gross head of 123 feet; a transmission-line connection with the bus system of the Glenville development; and appurtenant facilities. The project, when constructed, would supply additional energy to the company's existing electric system.

The Commission will investigate the proposed construction and determine whether a license under the Federal Power Act is required or whether the project may be constructed merely upon compliance with State laws.

[SEAL]

LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-11173; Filed, Dec. 22, 1948;
8:45 a. m.]

RAILROAD RETIREMENT BOARD

RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

PROCLAMATION

In pursuance of the requirement contained in the Railroad Unemployment Insurance Act as amended by section 5 (a) of Public Law 744, 80th Congress, 2d Session (June 23, 1948) the Railroad Retirement Board has determined, and hereby proclaims, that the balance to the credit of the Railroad Unemployment Insurance Account in the Treasury of the United States as of the close of business on September 30, 1948, was \$956,096,-809.27.

In witness whereof the members of the Railroad Retirement Board have hereto set their hands and caused its seal to be affixed.

Done at Chicago, Illinois, this 13th day of December 1948.

[SEAL]

F. C. SQUIRE,
Acting Chairman of the Board.
J. G. LUHSEN,
Member

[F. R. Doc. 48-11171; Filed, Dec. 22, 1948;
8:45 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong.; 60 Stat. 50, 925; 60 U. S. C. and Supp. App. 1, 610, E. O. 9103, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9667, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 2489]

PAULA STOEHR AND ALBERT STOEHR

In re: Real property, property insurance policies and a bank account owned by Paula Stoehr, and rights and interests in real property owned by Albert Stoehr.

Vesting Order 2489, dated October 26, 1943, as affirmed by § 500.41, as amended, of the Rules of the Office of Alien Property, Department of Justice, is hereby amended to read as follows:

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Paula Stoehr and Albert Stoehr, her husband, whose last known addresses are Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That the property described as follows:

a. Real property situated in Cuyahoga County, Ohio, particularly described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments arising from the ownership of such property, including the dower rights and interests therein of the aforesaid Albert Stoehr.

b. All right, title, interest and claim of Paula Stoehr in and to the insurance policies particularly described in Exhibit B, attached hereto and by reference made a part hereof, and

c. All right, title, interest and claim of Paula Stoehr in and to a certain bank account in the Continental Industrial Bank of Cleveland, Ohio, which is due and owing to, and held for and in the name of Otto L. Fricke, Attorney-in-fact for Paula Stoehr, including but not limited to all security rights in and to any and all collateral for such account or portion thereof, and the right to enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Paula Stoehr and Albert Stoehr, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested the property described in subparagraph 2-a hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, and

There is hereby vested the property described in subparagraphs 2-b and 2-c, hereof.

All such property so vested to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein and in said Vesting Order 2489 shall have and had the meanings prescribed in section 10 of Executive Order 9095, as amended by Executive Order 9193, as amended.

Executed at Washington, D. C., on December 15, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

EXHIBIT A

All those tracts or parcels of land situated in the County of Cuyahoga in the State of Ohio, more particularly described as follows:

Parcel I. One-half interest in the property situated in the Township of Orange, County of Cuyahoga and State of Ohio, and known as being Sub-lot No. 214 in The S. H. Kleinman Realty Company's "Woodmere" Subdivision of a part of Original Lot No. 10 Tract No. 2 Orange Township, as shown by the recorded plat in Volume 49 of Maps, page 8 of Cuyahoga County Records, and being 60 feet front on the Southerly side of Kinsman Road and extends back of equal width 300 feet deep and contains 4132/10000 of an Acre of land, as per said recorded plat.

Parcel II. One-half interest in the property situated in the Township of Orange, County of Cuyahoga and State of Ohio, and known as being Sub-lot No. 217 in The S. H. Kleinman Realty Company's "Woodmere" Subdivision, of a part of Original Lot No. 10 Tract No. 2, as shown by the recorded plat of said Subdivision in Volume 49 of Maps, page 8 of Cuyahoga County Records. Said Sub-lot No. 217 has a frontage of 48.40 feet on the westerly side of Rosslawn Avenue and extends back of equal width from the center of said Avenue 225 feet deep, as appears by said Plat.

Parcel III. That certain tract or parcel of land situated in the City of Cleveland, County of Cuyahoga and State of Ohio and known as being Sublot No. 271 in The Continental Realty Company's Continental Park Subdivision of part of original Warrensville Township Lots Nos. 71 and 81, as shown by the recorded plat in Volume 55 of Maps, page 40 of Cuyahoga County Records, and being 40 feet front on the easterly side of East 141st Street, S. E., and extending back of equal width 122 feet deep, as appears by said plat, be the same more or less, but subject to all legal highways.

Parcel IV. That certain tract or parcel of land situated in the City of Cleveland, County

of Cuyahoga and State of Ohio and known as being Sublot No. 272 in The Continental Realty Company's Continental Park Subdivision of part of original Warrensville Township Lots Nos. 71 and 81, as shown by the recorded plat in Volume 55 of Maps, Page 40 of Cuyahoga County Records, and being 49 feet front on the easterly side of East 141st Street, S. E., and extending back of equal width 122 feet deep, as appears by said plat, be the same more or less, but subject to all legal highways.

Parcel V. That certain tract or parcel of land situated in the City of Cleveland, County of Cuyahoga and State of Ohio and known as being all of Sublots Nos. 1 and 2 in P. O'Brien Re-Subdivision comprising sublots Nos. 4 and 5 and part of sublots Nos. 83 to 84 inclusive in Keys & Edwards Sub-division and a part of sublots Nos. 1, 2 and 3 in Rogers, O'Brien, McNamara and McGinnis Re-subdivision of sublots Nos. 10 to 79 inclusive of said Keys & Edwards Subdivision of part of original 100 acre lot No. 415, said sublot No. 1 is 35 feet front on the westerly side of East 80th Street, 59.23 feet deep on the northerly line and 59.23 feet deep on the southerly line and 34.93 feet wide on the rear. Said sublot No. 2 is 35 feet front on the westerly side of East 80th Street and extends back of equal width 59.23 feet as appears by said plat, be the same more or less, but subject to all legal highways.

EXHIBIT B

Fire Insurance policy OH-No. 6743 of North River Insurance Company of New York, issued through its local agent, the Guenther Insurance Agency, 798 East 152nd Street, Cleveland, Ohio, in favor of the Estate of Mary Perz, assured, or Paula Steehr, assured, providing coverage in the amount of \$2,000 for the frame dwelling located at 2520-2522 East 80th Street, Cleveland, Ohio, for the term commencing March 1, 1942 and expiring March 1, 1945.

Fire Insurance policy OH-No. 6733 of North River Insurance Company of New York, issued through its local agent, the Guenther Insurance Agency, 798 East 152nd Street, Cleveland, Ohio, in favor of the Estate of Mary Perz, assured, or Paula Steehr, assured, providing coverage in the amount of \$2,000 for the frame dwelling located at 2524-2526 East 80th Street, Cleveland, Ohio, for the term commencing March 1, 1942 and expiring March 1, 1945.

[F. R. Doc. 48-11132; Filed, Dec. 21, 1948; 9:00 a. m.]

MAX LECLERC & Cie Ltd.

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Max Leclerc & Cie Ltd. (Librairie Armand Colin) 103, Boulevard Saint-Michel, Paris 6^e France, 32510; property to the extent owned by claimant immediately prior to the vesting thereof, described in Vesting Order No. 3133 (9 F. R. 6464, June 13, 1944; 9 F. R. 13763, November 17, 1944) relating to the literary works "Histoire De France, Cours Elementaire" and "Histoire De France, Cours Moyens" (listed in Exhibit A of said vesting

order), including royalties pertaining thereto in the amount of \$718.73.

Executed at Washington, D. C., on December 15, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-11133; Filed, Dec. 21, 1948; 9:01 a. m.]

[Vesting Order 12323]

ANTON KRAUS

In re: United States Letters Patent No. 2,085,161 owned by Anton Kraus.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9785, and pursuant to law, after investigation, it is hereby found:

1. That Anton Kraus, whose last known address is Germany, is a resident of Germany and a national of a foreign country (Germany)

2. That the property described as follows: All right, title and interest, including all accrued royalties and all damages and profits recoverable at law or in equity from any person, firm, corporation or government for past infringement thereof, in and to the following United States Letters Patent:

Patent No., Date of Issue, Inventor, and Title
2,035,161, 6-23-37, Anton Kraus, Exercising Device.

is property of the aforesaid national of a foreign country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The term "national" as used herein shall have the meaning prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on November 12, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-11183; Filed, Dec. 23, 1948; 8:53 a. m.]

[Vesting Order 12453]

HEINRICH CONRAD BIERWIRTH AND HARVARD TRUST CO.

In re: Trust Agreement dated September 29, 1939 between Heinrich Conrad Bierwirth, settlor, and Harvard Trust Company, trustee. File D-23-5203 G-1, E. T. Sec. 1501.

Under the authority of the Trading With the Enemy Act, as amended, Exec-

NOTICES

utive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Winfried (Winifried) Koepke, Waltraut Koepke, Dora Foerste, Wilmut (William) Foerste, Helmut Foerste, Arthur (Arthur) Foerste, Mile Foerste, Werner (Werirr) Foerste, Gunter Foerste, Elsa Rahlf, Nite Rahlf, Heine Rahlf, Mile Kruse, Lene Ehler, Willi Ehler, Conrad Ehler, Karl-Heinz Ehler, Anna (Anne) Ehler, Jan Kruse and Eike Kruse, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany).

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, and each of them, in and to and arising out of or under that certain trust agreement dated September 29, 1939 by and between Heinrich Conrad Bierwirth, settlor, and Harvard Trust Company, trustee, presently being administered by Harvard Trust Company, Trustee, Cambridge, Massachusetts,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on December 3, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-11190; Filed, Dec. 22, 1948;
8:53 a. m.]

[Vesting Order 12500]

KARL W. HIERSEMANN

In re: Debts owing to Karl W. Hiersemann. F-28-25766-C-1, F-28-25766-C-2, F-28-25766-C-3.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Karl W. Hiersemann, the last known address of which is Konigstrasse 29, Leipzig, Germany, is a corporation partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Leipzig, Germany, and is a national of a designated enemy country (Germany).

2. That the property described as follows:

a. Those certain debts or other obligations owing to Karl W. Hiersemann by the City of Boston, (Library Department) Copley Square, Boston, Massachusetts, in the aggregate amount of \$456.12, as of September 11, 1947, a portion of which is represented by a check drawn by the aforesaid City of Boston, on the National Shawmut Bank of Boston, Boston, Massachusetts, payable to the aforesaid Karl W. Hiersemann, dated December 19, 1939, numbered 45,900 in the sum of \$355.73 and presently in the custody of the aforesaid City of Boston (Library Department) a portion of which is represented by an account payable in the amount of \$10.63 for books shipped on or about April 16, 1941, and a portion of which is represented by an account payable in the amount of \$89.76 for books shipped on or about March 27, 1940, together with any and all accruals to the aforesaid debts or other obligations and any and all rights to demand, enforce and collect the same, and any and all rights, into, and under, including the

right to presentation of and collection of the aforesaid check,

b. That certain debt or other obligation owing to Karl W. Hiersemann by the University of Michigan Law Library, Ann Arbor, Michigan, in the amount of \$40.00 as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce, and collect the same, and

c. That certain debt or other obligation owing to Karl W. Hiersemann by the University of Chicago, 5750 Ellis Avenue, Chicago, Illinois, in the amount of \$9.44, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (German),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on December 3, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
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